

Supreme Court, U. S.  
FILED

SEP 22 1976

MICHAEL RODAK, JR., CLERK

---

IN THE  
**Supreme Court of the United States**

OCTOBER TERM, 1976

---

No. **76-428**

---

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS and DISTRICT 147 OF THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, *Petitioners*,

v.

NORTHEAST AIRLINES, INC., and DELTA AIR LINES, INC.,  
*Respondents*.

---

**PETITION FOR A WRIT OF CERTIORARI TO THE  
UNITED STATES COURT OF APPEALS  
FOR THE FIRST CIRCUIT**

---

JOHN O'B. CLARKE, JR.  
HIGHSAW, MAHONEY & FRIEDMAN  
1050 Seventeenth Street, N.W.  
Washington, D. C. 20036

ROBERT M. SEGAL  
SEGAL, ROITMAN & COLEMAN  
11 Beacon Street  
Boston, Massachusetts 02108

PLATO E. PAPPS  
1300 Connecticut Avenue, N.W.  
Washington, D. C. 20036

*Counsel for Petitioners.*

September 22, 1976



## TABLE OF CONTENTS

	Page
ORDERS AND OPINIONS BELOW .....	1
JURISDICTION .....	2
QUESTIONS PRESENTED .....	2
STATUTORY PROVISIONS INVOLVED .....	2
STATEMENT OF THE CASE .....	3
REASONS FOR GRANTING THE WRIT:	
I. The Decision of the Court of Appeals Destroyed Statutory and Contractual Rights and Duties Which Are Important to Stable Labor Rela- tions in the Air Transportation Industry .....	7
II. The Decision of the Court of Appeals Conflicts with the Decision of This Court in <i>John Wiley &amp; Sons v. Livingston</i> .....	9
III. The Decision of the Court of Appeals Deprives Federal Courts of Their Traditional Jurisdic- tion in a Manner Not Contemplated by Con- gress and in Conflict with a Decision of This Court and of the Eighth Circuit .....	13
CONCLUSION .....	16
APPENDIX A. ....	
APPENDIX B. ....	1a
APPENDIX C. ....	3a
APPENDIX D. ....	9a
APPENDIX E. ....	11a
APPENDIX F. ....	13a
APPENDIX G. ....	19a

## INDEX TO CITATIONS

CASES:	Page
Augspurger v. Brotherhood of Locomotive Engineers, 510 F.2d 853 (8th Cir. 1975) .....	14
Braniff-Mid-Continent Merger Case, 17 CAB 19 (1953) .....	13
Brotherhood of Railway Clerks v. Florida E. C. Ry., 384 U.S. 238 (1966) .....	10
Carey v. O'Donnell, 506 F.2d 107 (D.C. Cir. 1974), <i>cert.</i> <i>denied</i> , 419 U.S. 1110 (1975) .....	14
Chicago & N. W. Ry. v. United Transportation Union, 402 U.S. 570 (1971) .....	8, 12
Delta-C&S Seniority List, 29 CAB 1347 (1959) .....	13
Delta-Northeast Merger Case, CAB Order 73-9-42 (Sept. 11, 1973) .....	9, 13, 15
Delta-Northeast Merger Case, Order 75-1-6, <i>rev'd</i> , D.C. Cir. No. 75-1066 (May 27, 1975) .....	15
Detroit & T.S.L.R.R. v. United Transportation Union, 396 U.S. 142 (1969) .....	10
Howard Johnson Co. v. Detroit Local, Hotel Em- ployees, 417 U.S. 249 (1974) .....	10
Kesinger v. Universal Airlines, Inc., 474 F.2d 1127 (6th Cir. 1973) .....	14
Nader v. Allegheny Airlines, Inc., Sup. Ct. No. 75-455 (June 7, 1976) .....	14
Trans International Airlines—Saturn Airways—Ac- quisition, CAB Docket 26951 .....	8
Tunstall v. Brotherhood of Locomotive Firemen, 323 U.S. 210 (1944) .....	14
Union of Professional Airmen v. CAB, 511 F.2d 423 (D.C. Cir. 1975) .....	9
John Wiley & Sons v. Livingston, 376 U.S. 543 (1964) 2, 4, 7, 8, 9, 10, 11, 12	
STATUTES:	
Federal Aviation Act of 1958, 49 U.S.C. § 1371, <i>et seq.</i> 2, 3, 14, 15	
National Labor Relations Act, 29 U.S.C. § 151, <i>et seq.</i> 9, 10	
Railway Labor Act, 45 U.S.C. § 151, <i>et seq.</i> . . . 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15	
MISCELLANEOUS:	
Judicial Code:	
28 U.S.C. § 1254(1) .....	2
28 U.S.C. § 1337 .....	6

IN THE  
**Supreme Court of the United States**

OCTOBER TERM, 1976

No.

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AERO-  
SPACE WORKERS and DISTRICT 147 OF THE INTER-  
NATIONAL ASSOCIATION OF MACHINISTS AND AERO-  
SPACE WORKERS, *Petitioners*,

v.

NORTHEAST AIRLINES, INC., and DELTA AIR LINES, INC.,  
*Respondents*.

**PETITION FOR A WRIT OF CERTIORARI TO THE  
UNITED STATES COURT OF APPEALS  
FOR THE FIRST CIRCUIT**

Petitioners International Association of Machinists and Aerospace Workers and one of its former Lodges, District Lodge 147 [hereinafter, "IAM" and "District 147," respectively], respectfully request that a writ of certiorari issue to review the judgment and opinion of the United States Court of Appeals for the First Circuit entered in this proceeding on June 25, 1976.

**ORDERS AND OPINIONS BELOW**

The judgment and opinion of the Court of Appeals for the First Circuit were entered on June 25, 1976 (Appendices A and B at 1a-7a, *supra*). The opinion has been reported at 536 F.2d 975. The judgment of the District Court for the District of Massachusetts which dismissed petitioners' complaint was entered on July 25, 1975 (Appendix D at 11a). The District Court filed an opinion with that order and that opinion, Ap-

pendix E at 13a-17a, has been reported at 400 F.Supp. 372. On October 8, 1975, the District Court denied petitioners' motion for reconsideration (Appendix C at 9a).

### JURISDICTION

The judgment of the Court of Appeals for the First Circuit was entered on June 25, 1976, and this petition for certiorari has been filed within 90 days of that date. This Court's jurisdiction is invoked pursuant to 28 U.S.C. § 1254(1).

### QUESTIONS PRESENTED

1. On a merger of Northeast Airlines into Delta Air Lines, was Delta required by the Railway Labor Act and by this Court's decision in *John Wiley & Sons v. Livingston* to exert every reasonable effort with petitioners to settle all disputes concerning the survival of collectively bargained rights of Northeast employees represented by petitioners?

2. Was the District Court's original jurisdiction to enforce the right of employees under the Railway Labor Act to bargain through a representative of their choice preempted by the Civil Aeronautics Board's order requiring Delta and Northeast to integrate the seniority lists of their employees upon the merger?

### STATUTORY PROVISIONS INVOLVED

This case involves rights and duties created by Sections 2, First, Second and Fourth of the Railway Labor Act, 45 U.S.C. §§ 152, First, Second and Fourth. Sections 401(k)(4), 408(b), and 1106 of the Federal Aviation Act of 1958, 49 U.S.C. §§ 1371(k)(4), 1378(b), and 1506, are also involved. These statutory provisions appear herein as Appendix F at 19a-20a.

### STATEMENT OF THE CASE

In 1971, Northeast Airlines, Inc., and Delta Air Lines, Inc., two certificated common carriers by air, agreed to merge and sought the approval of the Civil Aeronautics Board [hereinafter, "CAB" or "Board"] under Sections 401 and 408 of the Federal Aviation Act of 1958, 49 U.S.C. §§ 1371, 1378. According to the merger agreement, Delta was to be the surviving corporation and was to assume "all the rights, privileges, powers and franchises" possessed by Northeast prior to the merger as well as all of Northeast's debts, liabilities and duties. App. I at 61.<sup>1</sup>

At the time that Northeast entered into its merger agreement with Delta, Northeast was a party to two collective bargaining agreements with the IAM covering approximately 1,000 Northeast employees in the Supervisors, and Mechanics and Related Employees crafts or classes. Those agreements were entered into under the auspices of the Railway Labor Act, 45 U.S.C. § 151, *et seq.* Northeast had agreed in both of those collective bargaining contracts to a provision which had been in effect since 1949 (App. I at 40), and which provided that the agreements were to be binding upon Northeast's successors or assigns, and that in "case of a consolidation or merger," the company and union were to "meet without delay" to bargain "for proper provisions for the protection of employees' seniority and other rights." Art. 3, § B, App. I at 13.

In November 1971 District 147, the subordinate unit of the IAM responsible for representing Northeast-IAM employees, attempted to invoke Article 3(B), as well as Section 2, First of the Railway Labor Act, to negotiate with Northeast for proper provisions for the

<sup>1</sup> "App. I" refers to the appendix filed in 1st Cir. No. 72-1038 and designated as part of the record in this instant case. "App. II" refers to the separately paginated appendix filed in this case.



protection of employees' seniority and other rights. Northeast declined to negotiate the protection issue prior to the merger, arguing that negotiations before then were premature. Northeast, however, did agree "to discuss" the question with District 147. Dissatisfied, petitioners brought suit against Northeast in the United States District Court for the District of Massachusetts to compel Northeast to bargain and to enjoin the merger pending completion of that bargaining. On February 3, 1972, the District Court denied the petitioners' request for a preliminary injunction, 337 F.Supp. 499, and on April 20, 1972, the United States Court of Appeals for the First Circuit affirmed, albeit for a different reason, 473 F.2d 549. This Court denied a petition for a writ of certiorari on October 10, 1972. 409 U.S. 845.

In affirming the District Court's denial of a preliminary injunction, the Court of Appeals held that System Boards of Adjustment, and not federal courts, had the jurisdiction under the Railway Labor Act to interpret contracts and, thus, petitioners' claim that Article 3(B) of those contracts required pre-merger bargaining was not properly before it. 473 F.2d at 554-55. The court also rejected petitioners' second argument that the issue was a major dispute requiring bargaining. According to the court, since the merger agreement was before the CAB pending its approval, any question of protections to be afforded employees in the post-merger operations was not a mandatory subject for bargaining by Northeast. *Id.* at 559-60. Earlier in its opinion the court had noted that this Court's decision in *Wiley* may impose a duty on Delta under the Northeast contract, *Id.* at 553n.5, but the court stated that it expressed "no opinion at this time as to whether Delta may be required to negotiate separately with NE workers about any of the changes [in

post-merger employment rights] when they occur." *Id.* at 560n.17.

Shortly after the Court of Appeals rendered its decision, District 147 presented on April 24, 1972, its claim under Article 3(B) to the System Board of Adjustment under the Northeast-IAM mechanics' contract. Northeast countered on procedural grounds, asserting in part that the contractual grievance was untimely. App. II at 83. On July 12, 1972, a neutral referee agreed with Northeast's challenge on procedural grounds and dismissed District 147's grievance. App. II at 84.

In the meantime, by orders issued May 19, 1972, the CAB approved the Delta-Northeast merger and imposed labor protective provisions as a condition of its approval. App. II at 47-78. Besides providing monetary protections for employees affected by the merger, the provisions at Section 3 called for the integration of the seniority lists of the Northeast and Delta employees "in a fair and equitable manner, including, where applicable, agreement through collective bargaining between the carriers and the representatives of the employees affected." App. II at 61. On July 5, 1972, Delta circulated to all Northeast employees a notice which welcomed them into the "Delta family" and informed them of their new conditions of employment once they became part of the merged system. D.App.C.<sup>2</sup> These new conditions of employment countermanded several contractual rights of the Northeast-IAM employees, such as bidding and bumping seniority rights, and effectively deprived the employees of anticipated contractual rewards for long and faithful serv-

<sup>2</sup> "D.App.C." refers to a notice sent by Delta which was placed in the record in the District Court and inadvertently omitted from the appendix in the Court of Appeals. On December 17, 1975, the appellate court granted petitioners permission to refer to that notice in their brief.

ice to Northeast, such as increases in vacation leaves and severance pay.<sup>3</sup> On August 1, 1972, Northeast merged into Delta, and sometime thereafter, former Northeast-IAM employees were absorbed into the Delta system, using an integrated seniority list that had been worked out with a committee of Northeast mechanics, and not with the IAM.

Petitioners' complaint was still pending in District Court after the merger and in October 1973 petitioners moved to add Delta as a defendant. Petitioners' suit was grounded on, among others, 28 U.S.C. § 1337 and the Railway Labor Act, and sought to require Delta to bargain with the IAM over what contractual rights under the Northeast-IAM contracts survived the merger, if at all. Delta has consistently refused to acknowledge that it has an obligation to bargain over those protections or to arbitrate if an impasse was reached. Petitioners also sought by their amended complaint to set aside the integrated seniority list since it was not negotiated with the duly designated representative under the Railway Labor Act—the IAM.

On July 25, 1975, the District Court dismissed petitioners' complaint, concluding that the complaint raised issues within the scope of the CAB labor protective provisions and that the Board had exclusive jurisdiction to consider those claims. Appendix E at 17a. Petitioners moved for reconsideration, and on October 8, 1975, the court denied that motion. Appendix C at 9a.

<sup>3</sup> An example of the Northeast-IAM system of future benefits for *past* service is Article 17, Section B, of the mechanics contract, which provided:

Employees who have grown old in the service of the Company and have become unable to follow their regular work to advantage, shall be given preference of such light work as they are able to handle in their work classification.

Even though on appeal the Court of Appeals concluded that the District Court had erroneously found that the CAB had exclusive jurisdiction to consider petitioners' attack on Delta's refusal to bargain, the appellate court nevertheless affirmed, holding that since petitioners were not certified to represent Delta employees, Delta had no obligation to bargain with them over what rights under the Northeast-IAM contract survived the merger, if at all. Appendix B at 6a. The court then distinguished this Court's decision in *John Wiley & Sons v. Livingston*, 376 U.S. 543 (1964), by stating that *Wiley* required arbitration "but did not require negotiation with the union, which is quite a different story." Appendix B at 6a-7a. Since petitioners had not alleged that they had instituted contractual grievance proceedings over Delta's refusal to bargain, the court found that *Wiley* did not apply. Moreover, the Court of Appeals for the First Circuit agreed with the District Court that petitioners' challenge to the manner in which the seniority list was integrated, albeit couched in terms of a violation of the Railway Labor Act, was within the CAB's jurisdiction and was outside the court's subject matter jurisdiction. Appendix B at 4a.

## REASONS FOR GRANTING THE WRIT

### I

#### The Decision of the Court of Appeals Destroyed Statutory and Contractual Rights and Duties Which Are Important to Stable Labor Relations in the Air Transportation Industry

Fundamental to the entire statutory scheme of labor relations established by the Railway Labor Act, 45 U.S.C. § 151, *et seq.*, is the command of Section 2, First of that Act, 45 U.S.C. § 152, First, that both employees and carriers "exert every reasonable effort to make and maintain agreements . . . , and to settle all disputes . . . ." That duty is in essence the "heart"



of the Act, *Chicago & N.W. Ry. v. United Transportation Union*, 402 U.S. 570, 574 (1971), and colors all of the obligations and rights of the Act, including the procedures for settling both major and minor disputes. Petitioners relied upon that right and obligation to enforce the right of the Northeast-IAM employees to determine what contractual rights under the Northeast-IAM contracts may have survived the merger. By failing to recognize that the right to act as the exclusive representative under the Act must of necessity survive until the contractual right survival question is resolved, *John Wiley & Sons v. Livingston*, 376 U.S. 543, 552 (1964), the Court of Appeals has destroyed the Northeast-IAM employees' rights under Section 2, First at a very critical stage of their employment. By taking away the means to enforce those contractual rights, the court has in effect taken away those rights.

The problem presented by this case is not limited solely to Northeast employees; rather, it is a potential threat to approximately 180,000 employees who are employed by the 143 air carriers under the jurisdiction of the National Mediation Board and covered by the 358 contracts under the Railway Labor Act which are currently in effect.<sup>4</sup> Because of today's economic environment, many air carriers caught in the ever ongoing rise in fuel prices are searching both the industry and outside for available merger partners. *E.g., Trans International Airlines—Saturn Airways—Acquisition*, CAB Docket 26951. Thus, it is highly likely that more mergers will be proposed in the near future. Employees' rights under various collective bargaining agreements will obviously be affected by such mergers and, consequently, it becomes important to know before the merger, and the loss of those rights,

<sup>4</sup> Conversation of September 13, 1976, with Mr. Michael H. Cimini, Senior Research Analyst, NMB.

exactly what those rights are and, more importantly, how to enforce them. But, as a result of the Court of Appeals decision, especially when viewed together with its earlier decision at 473 F.2d 549, airline employees do not know if the principles of *Wiley* apply to them and, if they do, how they can be enforced.

Rights and obligations in merger situations of employees and carriers in the air transportation industry are of great importance today, and, petitioners submit, should not be permitted to remain as confused as the Court of Appeals decision has left them. Unlike industries covered by the National Labor Relations Act, 29 U.S.C. § 151, *et seq.*, with its National Labor Relations Board, the air transportation industry does not have a special administrative agency charged with enforcing and policing our national labor relations policy to assure a stable labor environment. While Congress has required carriers and employees to establish arbitration tribunals to resolve contract disputes, Section 204, 45 U.S.C. § 184, the courts are the only available meaningful forum open to employees to enforce the commands of Section 2, First.<sup>5</sup> If access to that forum is denied, the foundation for stable labor relations which has worked so well in the past may be undermined.

## II

### **The Decision of the Court of Appeals Conflicts With the Decision of This Court in *John Wiley & Sons v. Livingston***

As this Court made clear in *John Wiley & Sons v. Livingston*, *supra*, a collective bargaining agreement "is not an ordinary contract." *Id.* at 550. Rather, it is a code regulating the industrial community and is created by force of law under our national labor

<sup>5</sup> See, *Delta-Northeast Merger Case*, CAB Order 73-9-42 at 4; *Union of Professional Airmen v. CAB*, 511 F.2d 423, 426 n.4 (D.C. Cir. 1975).

relations acts by negotiations between union and management. Moreover, a Railway Labor Act contract establishes rates of pay, rules, and working conditions that may be changed only by a deliberately long and drawn out procedure, *e.g.*, *Detroit & T. S. L. R.R. v. United Transportation Union*, 396 U.S. 142, 148-51 (1969), and may continue in force even though that agreement by its terms has expired. *E.g.*, *Brotherhood of Railway Clerks v. Florida E. C. Ry.*, 384 U.S. 238, 246-47 (1966). Recognizing the extra-contractual nature of collective bargaining agreements, this Court in *Wiley*, a case arising under the National Labor Relations Act, stated that:

We hold that the disappearance by merger of a corporate employer which has entered into a collective bargaining agreement with a union does not automatically terminate all rights of the employees covered by the agreement, and that, in appropriate circumstances, . . . the successor employer may be required to arbitrate with the union under the agreement. 376 U.S. at 548.

That basic holding was reaffirmed recently by this Court in *Howard Johnson Co. v. Detroit Local, Hotel Employees*, 417 U.S. 249, 254 (1974).

In *Wiley* this Court rejected an argument that the union which represented the predecessor's employees was not a proper party to represent them on the survival issue. Br. for Petitioner at 44-48, Sup. Ct. No. 91, Oct. 1963 Term. Noting that the union did not assert any bargaining rights independent of the agreement, and that it did not seek to negotiate a new agreement, 376 U.S. at 551, this Court expressly found that the old union was a proper party:

The fact that the Union does not represent a majority of an approximate bargaining unit in *Wiley* does not prevent it from representing those employees who are covered by the agreement which

is in dispute and out of which Wiley's duty to arbitrate arises. *Id.* at 551.n.5.

In the case at bar, petitioners have relied upon the principles expressed in *Wiley* to ask Delta to bargain with them about what rights of the Northeast-IAM contracts survived the merger and, if so, for how long those rights survived. Petitioners have stated that they are "not seeking the right to act as the bargaining representative for the former NE mechanics in their employment relationship with Delta after the merger was consummated and the NE-IAM employees were fully absorbed into the Delta System."<sup>6</sup> Reply Br. at 3, 1st Cir., No. 75-1435. Moreover, as in *Wiley*, petitioners are not seeking rights which would have conflicted with any other collective bargaining contract since Delta did not have a contract covering the same crafts or classes of employees as were represented by the IAM on Northeast. See 376 U.S. at 552n.5.

Nevertheless, the Court of Appeals concluded that since the "merger created real doubts about whether [petitioners] . . . represent the majority of any Delta craft or class of employees," Appendix B at 6a, Delta had no obligation under the Railway Labor Act to bargain with petitioners over the contractual rights survival issue. In making that ruling, the Court of Appeals completely disregarded the fact that the IAM was the duly designated representative of certain Northeast employees; and it was *that certification* which petitioners were seeking to enforce. By ignoring that fact, the Court of Appeals disregarded this Court's holding in *Wiley* that the union which represented the employees originally covered by the contract in question

<sup>6</sup> The approximately 1,000 Northeast employees represented by the IAM at the time of the merger constituted approximately 25 to 30% of the Delta employees in the same crafts or classes.



is the proper party to represent *those employees* in the contractual rights survival issue *after the merger*. 376 U.S. at 551n.5.

The Court of Appeals attempted to distinguish *Wiley* by arguing that the duties to bargain and to arbitrate are different, and somehow distinct. Petitioners respectfully submit that such a distinction is meaningless, and more importantly both contravenes the express commands of Section 2, First of the Railway Labor Act "to exert every reasonable effort . . . to settle all disputes," and emasculates this Court's decision in *Wiley*. Arbitration, it is respectfully submitted, is not separate and distinct from the duty to bargain imposed by Section 2, First of the Act. Rather, it is an integral part of that duty and comes into play only after the parties, because of a disagreement after proper bargaining, are unable to reach an agreement. The duty to bargain, it is submitted, is the basic right and it begins with negotiations and continues through the arbitration. *See, Chicago & N. W. Ry. v. United Transportation Union, supra*. Consequently, it is meaningless to artificially dissect that right as the Court of Appeals has attempted.

The Court of Appeals disregard of the continuing and surviving nature of the IAM certification to represent Northeast employees on this limited issue raises problems which are important to peaceful and stable labor relations. Employees and carriers in the airline industry, as well as in all other industries, need to know who is a proper party to represent them in bargaining about what contractual rights survive a merger. Moreover, both employees and carriers need to know if the principles of *Wiley* are still good law. While this Court has recently stated that they are, the Court of Appeals, by depriving the employees of a means to enforce them, has said they are not. Petitioners respectfully ask this Court to resolve this dispute.

### III

#### **The Decision of the Court of Appeals Deprives Federal Courts of Their Traditional Jurisdiction in a Manner Not Contemplated by Congress and in Conflict With a Decision of This Court and of the Eighth Circuit**

Seniority rights in the air transportation industry, as in most other industries, are probably one of the most important collective bargained for rights employees possess. Seniority generally determines who works, when they work, and who is laid off first. Consequently, it is not surprising that any threatened change in those rights, particularly seniority rankings vis-a-vis other employees, can be potentially explosive. The CAB has recognized this potential cause of unrest, and for the past two and a half decades has normally required that in case of a merger of two airlines "provision shall be made for the integration of seniority lists in a fair and equitable manner . . ." *E.g.*, Appendix B at 4a n.1; *see, Braniff-Mid-Continent Merger Case*, 17 CAB 19, 21 (1953) (Supplemental Opinion).

Simply stated, the policy of the Board in [merger situations] . . . has been to charge the receiving company with the duty and responsibility of making provisions for the integration of the seniority lists in a fair and equitable manner, utilizing when applicable the collective bargaining procedures contemplated by the Railway Labor Act. *Delta-C&S Seniority List*, 29 CAB 1347, 1349 (1959).

In the case at bar, petitioners have asserted that if Delta engaged in negotiations with a group of Northeast employees represented by the IAM, Section 2, Second of the Railway Labor Act, required that those collective negotiations be with the exclusive bargaining representative of those employees—the IAM—and with no other bogus representative.<sup>7</sup> Ordinarily, federal

<sup>7</sup> But *see, Delta-Northeast Merger Case*, Order 73-9-42 (September 11, 1973).

courts have subject matter jurisdiction to consider a claim that Section 2, Second was violated. *Accord, Tunstall v. Brotherhood of Locomotive Firemen*, 323 U.S. 210 (1944). However, on this issue the Court of Appeals concluded that the jurisdiction of the federal courts was preempted by that of the CAB since petitioners were questioning the manner in which Delta complied with the CAB's order, and that "jurisdiction in the first instance to rule on compliance with its own Labor Protective Provisions and to determine the validity of the seniority lists belongs with the CAB . . . ." Appendix B at 5a.

In so ruling, the appellate court followed the *dicta* in *Kesinger v. Universal Airlines, Inc.*, 474 F.2d 1127, 1131-32 (6th Cir. 1973), and the stated reason for the holding in *Carey v. O'Donnell*, 506 F.2d 107, 110 (D.C. Cir. 1974), *cert. denied*, 419 U.S. 1110 (1975).

This conclusion of the Court of Appeals that the CAB has exclusive jurisdiction to hear petitioners' claims that Section 2, Second of the Railway Labor Act was violated by Delta, is in conflict with this Court's recent decision in *Nader v. Allegheny Airlines, Inc.*, Sup. Ct. No. 75-455, decided June 7, 1976, where this Court had reached a different conclusion on an analogous issue—*i.e.*, whether the Board's authority under Section 411, 49 U.S.C. § 1381, to stop "unfair" or "deceptive" practices of airlines preempted similar issues in fraudulent overbooking actions. Moreover, the Court of Appeals conclusion of preemption is in conflict with the decision of the Eighth Circuit in *Augsburger v. Brotherhood of Locomotive Engineers*, 510 F.2d 853 (8th Cir. 1975), where the court concluded that courts need not defer to the primary jurisdiction of the Interstate Commerce Commission in seniority integration matters where a violation of the Railway Labor Act—*i.e.*, duty of fair representation—is alleged.

Exclusive jurisdiction in the CAB to consider petitioners' claims under Section 2, Second of the Railway Labor Act is also contrary to the expressed intent of Congress stated in Section 1106 of the Federal Aviation Act, 49 U.S.C. § 1506, that: "Nothing contained in this Act shall in any way abridge or alter the remedies now existing at common law or by statute . . . ." Moreover, exclusive jurisdiction is inappropriate in matters involving labor issues arising from labor protective provisions because, as the CAB has stated:

[I]t [the Board] lacks expertise in labor matters, that it is not charged with responsibility to act as a labor board for the aviation industry, and that its limited resources are more appropriately directed to the resolution of those tasks directly assigned to it and with which it is familiar. *Delta-Northeast Merger Case*, *supra* note 7, Order 73-9-42 at 4.

Because of the volatile and important nature of the subject of seniority integration, it is reasonable to expect that challenges to that integration will be raised in almost every merger approved by the CAB. At the present time it is unclear whether the Board is the only forum available to hear those challenges; while some courts have said it is, this Court and the Eighth Circuit have indicated otherwise. More importantly, the Board itself, having disavowed any interest in the compliance issue, does not yet know the full extent of its duties in such challenges. Since this question is so important to stable labor relations, petitioners respectfully request that this Court settle this question so that employees' rights are not lost in the procedural maze that has been created by this jurisdictional dispute. *Compare, Delta-Northeast Merger Case*, Order 73-9-42, with, *Delta-Northeast Merger Case*, Order 75-1-6, *rev'd*, D.C. Cir. No. 75-1066, decided May 27, 1975.

**CONCLUSION**

For these reasons, a writ of certiorari should issue to review the judgment of the United States Court of Appeals for the First Circuit.

Respectfully submitted,

JOHN O'B. CLARKE, JR.  
HIGHSAW, MAHONEY & FRIEDMAN  
1050 Seventeenth Street, N.W.  
Washington, D. C. 20036

ROBERT M. SEGAL  
SEGAL, ROITMAN & COLEMAN  
11 Beacon Street  
Boston, Massachusetts 02108

PLATO E. PAPPS  
1300 Connecticut Avenue, N.W.  
Washington, D. C. 20036

*Counsel for Petitioners.*

September 22, 1976

**APPENDIX A**

**Judgment of the United States Court of Appeals for the  
First Circuit entered June 25, 1976**



1a

UNITED STATES COURT OF APPEALS  
FOR THE FIRST CIRCUIT

No. 75-1435

INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS, ET AL.,  
*Plaintiffs, Appellants,*

v.

NORTHEAST AIRLINES INC. and  
DELTA AIRLINES INC.,  
*Defendants, Appellees.*

**Judgment**

Entered June 25, 1976

This cause came on to be heard on appeal from the United States District Court for the District of Massachusetts, and was argued by counsel.

Upon consideration whereof, It is now here ordered, adjudged and decreed as follows: The judgment and the order of the District Court are affirmed.

By the Court:

/s/ DANA N. GALLUP  
*Clerk*

[cc: Messrs. Segal and Starrett.]

**APPENDIX B**

**Opinion of the United States Court of Appeals for the  
First Circuit entered June 25, 1976**

UNITED STATES COURT OF APPEALS  
FOR THE FIRST CIRCUIT

No. 75-1435

INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS,  
and  
DISTRICT 147 OF THE INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS,  
*Plaintiffs, Appellants,*

v.

NORTHEAST AIRLINES, INC.,  
and  
DELTA AIR LINES, INC.,  
*Defendants, Appellees.*

*Appeal from the United States District Court  
for the District of Massachusetts*

[HON. JOSEPH L. TAURO, U.S. District Judge]

400 F. Supp. 372

Before COFFIN, Chief Judge,  
ALDRICH and CAMPBELL, Circuit Judges.

*Robert M. Segal, with whom Donald J. Siegal, Segal  
Roitman & Coleman, John O'B. Clarke, Jr., Highsaw &  
Mahoney, and Plato E. Papps were on brief, for appel-  
lants.*

*Loyd M. Starrett, with whom Henry E. Foley, Paul V.  
Lyons, Foley, Hoag & Eliot, Frank F. Rox, and Robert S.  
Harkey were on brief, for appellees.*

June 25, 1976

COFFIN, Chief Judge. This appeal is from a summary judgment dismissing plaintiffs-appellants' amended complaint on jurisdictional grounds. 400 F. Supp. 372. Plaintiffs were the bargaining representatives of certain North-

east Airline employees prior to the merger of Northeast into Delta Air Lines. The merger occurred pursuant to a Civil Aeronautics Board order which included a number of "Labor Protective Provisions", one of which specifically provided for the integration of seniority lists.<sup>1</sup> Plaintiffs' amended complaint alleges that defendants violated the Railway Labor Act, 45 U.S.C. §§ 151 *et seq.*, and the unions' two collective bargaining agreements with Northeast by refusing to bargain with plaintiffs about the post-merger rights of the unions' members. This court has already held it is without jurisdiction to consider the alleged violation of the collective bargaining agreements, *International Ass'n of Machinists and Aerospace Workers v. Northeast Airlines, Inc.*, 473 F.2d 549, 554-55, *cert. denied*, 409 U.S. 845 (1972), and that, on the merits, Northeast had no duty to bargain with plaintiffs in advance about the effects of the merger upon plaintiffs' members. *Id.* at 550-60. Plaintiffs' remaining challenges are to Delta's failure to discuss the integration of seniority lists with them and its refusal in general to bargain with them about whether any rights arising from the collective bargaining agreements survived the merger.

Allowing the union, which had represented certain employees before the merger, to participate in discussing integration of seniority lists would seem not to involve an onerous burden, although the CAB, under whose Labor Protective Provisions the integration occurred, has held that such a union need not automatically be recognized as the employees' representative for Labor Protective Provi-

<sup>1</sup> "Section 3. Insofar as the merger affects the seniority rights of the carriers' employees, provisions shall be made for the integration of seniority lists in a fair and equitable manner, including, where applicable, agreement through collective bargaining between the carriers and the representatives of the employees affected. In the event of failure to agree, the dispute may be submitted by either party for adjustment in accordance with section 13."

sion purposes. *Delta-Northeast Merger Case*, CAB Order 73-9-42, at 5. However, the real question is not whether it would have been a good idea for Delta to discuss the integration of seniority lists with plaintiffs, but whether the district court had jurisdiction to decide that it should have done so. The CAB has broad authority to impose seniority lists in airline mergers, even in contravention of existing collective bargaining agreements, and to determine the procedural methods to be followed. *E.g.*, *Kent v. CAB*, 204 F.2d 263 (2d Cir.), *cert. denied*, 346 U.S. 826 (1953); *American Airlines, Inc. v. CAB*, 445 F.2d 891 (2d Cir. 1971), *cert. denied*, 404 U.S. 1015 (1972). Accordingly, even if we assume that, as plaintiff argues, the CAB intended Railway Labor Act rights to control the method of integration, jurisdiction in the first instance to rule on compliance with its own Labor Protective Provisions and to determine the validity of the seniority lists belongs with the CAB, notwithstanding any diffidence it may have shown toward undertaking this task. See *Kesinger v. Universal Airlines, Inc.*, 474 F.2d 1127 (6th Cir. 1973); *Carey v. O'Donnell*, 506 F.2d 107 (D.C. Cir. 1974), *cert. denied*, 419 U.S. 1110 (1975). Therefore, to the extent that plaintiffs attack the seniority lists, and argue that the procedures Delta followed in integrating them were inconsistent with the commands of the Labor Protective Provisions, the district court correctly ruled that it did not have jurisdiction.

On the other hand, plaintiffs also assert rights independent of, and in no way contrary to, the Labor Protective Provisions, such as arguably accrued severance and vacation benefits. The district court was incorrect in assuming that the only matters about which plaintiffs wanted to bargain directly involved the integration of the seniority lists. The CAB does not seek and need not have exclusive jurisdiction over all labor disputes caused by an airline merger. *Trans International Airlines, Inc.—Acquisition Agreement*, CAB Orders 76-3-126/-127 at 21-22; *Air Line Employees Ass'n v. CAB*, 413 F.2d 1082 (D.C. Cir. 1969) (per curiam).



Where there is no real question about whether a union is the legitimate representative of an airline's employees, the function of deciding the extent of the duty to bargain rests properly with federal courts. *International Ass'n of Machinists v. Northeast Airlines, Inc.*, 473 F.2d 549, at 555-56. Plaintiffs are not challenging the CAB Order, or saying it was incomplete. Thus, to the extent they complain that, apart from the Labor Protective Provisions, Delta had a duty to bargain with them, the district court erred in dismissing these claims for lack of jurisdiction.

However, the duty to bargain imposed by the Railway Labor Act is a duty to bargain with the chosen representative of the majority of a craft or class of employees. 45 U.S.C. § 152 Fourth; *Virginian Ry. v. System Federation No. 40, Ry. Employees*, 300 U.S. 515, 548 (1937). At the very least, the merger created real doubts about whether plaintiffs represent the majority of any Delta craft or class of employees, and where there is such doubt, federal courts leave resolution of the dispute to the National Mediation Board. *General Comm. of Adjustment, Bhd. of Locomotive Engineers v. Missouri-K.-T. R.R.*, 320 U.S. 323 (1943); *Ruby v. American Airlines, Inc.*, 323 F.2d 248 (2d Cir.), *cert. denied*, 376 U.S. 913 (1963); *cf. Brotherhood of Ry. & S.S. Clerks v. United Air Lines, Inc.*, 325 F.2d 576 (6th Cir.), *cert. dismissed as improvidently granted*, 379 U.S. 26 (1963). In the absence of National Mediation Board certification, 45 U.S.C. § 152 Ninth, there is no basis for finding a duty on the part of Delta to negotiate with plaintiffs. Their complaint was properly dismissed.

The Supreme Court decision in *John Wiley & Sons, Inc. v. Livingston*, 376 U.S. 543 (1964), does not mandate a different result, even apart from the fact that Railway Labor Act obligations are not identical to National Labor Relations Act obligations, *cf. Ruby v. American Airlines, Inc.*, *supra*, 323 F.2d at 255-56. *Wiley* required the employer to submit to arbitration, but did not require nego-

tiation with the union, which is quite a different duty. Plaintiffs do not allege that they have instituted grievance proceedings which are outstanding or that Delta has refused to submit to a System Board of Adjustment resolution of particular disputes concerning the survival of rights under the Northeast collective bargaining agreements. *Cf. Flight Engineers Int'l Ass'n, EAL Chapter v. Eastern Air Lines, Inc.*, 359 F.2d 303 (2d Cir. 1966). Therefore, the question whether Delta has a duty to submit to System Board of Adjustment proceedings is not before us<sup>2</sup> and, in the present context, *Wiley* mandates no other obligations.

*The judgment is affirmed.*

---

<sup>2</sup> It would appear that such a determination would be within the jurisdiction of a federal court. 359 F.2d at 309. Should such a determination become necessary, the extent of the duty, if any, would be determined by whether the Northeast collective bargaining agreements have in fact expired. *Id.* at 309-11. In general, the terms of a Railway Labor Act collective bargaining agreement are not controlling after the collective bargaining agreement and any subsequent status quo period expire. *International Ass'n of Machinists v. Reeve Aleutian Airways, Inc.*, 469 F.2d 990 (9th Cir.), *cert. denied*, 411 U.S. 982 (1972).

**APPENDIX C**

**Order of the District Court for the District of Massachusetts entered  
on October 8, 1975, denying petitioners' motion for reconsideration**

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

Civil Action No. 72-303-T

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE  
WORKERS AND DISTRICT 147 OF THE INTERNATIONAL AS-  
SOCIATION OF MACHINISTS AND AEROSPACE WORKERS,  
*Plaintiffs*

v.

NORTHEAST AIRLINES, INC., DELTA AIRLINES, INC.,  
*Defendants*

**Order**

TAURO, D.J.

1. This court's order of August 13, 1975, retaining jurisdiction in the above-entitled action pending its decision on the plaintiff's motion to alter, amend and vacate its judgment and order of July 28, 1975, is VACATED.

2. Upon consideration of the briefs submitted by the parties, the plaintiff's motion to alter, amend and vacate this court's judgment and order of July 28, 1975, is DENIED. Civil Aeronautics Board Order No. 75-1-6, upon which the plaintiff's motion was based, was subsequently reversed by the United States Court of Appeals for the District of Columbia Circuit. *Committee of Former Northeast Stewardesses v. Civil Aeronautics Board*, No. 75-1066 (D.C. Cir. May 27, 1975). Moreover, the arguments made by the plaintiff in his brief were foreclosed by the First Circuit's earlier decision in this case. *International Association of Machinists and Aerospace Workers, et al. v. Northeast Airlines, Inc.*, 473 F.2d 549, 559-60 (1st Cir.), *aff'g.*, 337 F. Supp. 499 (D. Mass.), *cert. denied*, 409 U.S. 845 (1972).

/s/ J. L. TAURO  
*United States District Court Judge*

**APPENDIX D**

**Order of the District Court for the District of Massachusetts  
entered on July 25, 1975, dismissing complaint**



11a

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

Civil Action No. 72-303-T

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE  
WORKERS AND DISTRICT 147 OF THE INTERNATIONAL AS-  
SOCIATION OF MACHINISTS AND AEROSPACE WORKERS,  
*Plaintiffs*

v.

NORTHEAST AIRLINES, INC., DELTA AIRLINES, INC.,  
*Defendants*

**Order of Dismissal**

July 25, 1975

TAURO, D.J.

In accordance with the Court's Opinion and Order entered this date, It Is ORDERED that the complaint be, and it hereby is, dismissed.

By the Court,

/s/ DANIEL P. LOUGH III  
*Deputy Clerk*

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

Civil Action No. 72-303-T

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE  
WORKERS AND DISTRICT 147 OF THE INTERNATIONAL AS-  
SOCIATION OF MACHINISTS AND AEROSPACE WORKERS,  
*Plaintiffs*

v.

NORTHEAST AIRLINES, INC., DELTA AIRLINES, INC.,  
*Defendants*

**Opinion and Order**

July 25, 1975

TAURO, D.J.

Plaintiffs (the Union) originally brought this action to compel Northeast Airlines, Inc. (Northeast) to negotiate with the Union prior to consummation of a merger of Northeast into Delta Airlines, Inc. (Delta) with respect to protective provisions relating to post-merger seniority and certain other matters. Plaintiff based its claim on section 3(b) of its collective bargaining agreement with Northeast and on section 152 First of the Railway Labor Act, 45 U.S.C. § 152 First. The Union's request for a preliminary injunction to enjoin Northeast and Delta from consummating the merger was denied. *International Association of Machinists and Aerospace Workers v. Northeast Airlines, Inc.*, 337 F. Supp. 499 (D. Mass.), *aff'd*, 473 F.2d 549 (1st Cir.), *cert. denied*, 409 U.S. 845 (1972). Thereafter, on August 1, 1972, the merger of Northeast into Delta was consummated and Northeast ceased to exist as a separate entity. The Union amended its complaint and now seeks an order compelling Delta to negotiate with the Union regarding seniority rights of the former Northeast employees represented by the Union.

Defendant Northeast's motion to dismiss was denied on November 29, 1973. After the complaint was amended to add Delta as a defendant, defendants filed a motion for reconsideration of the denial of the motion to dismiss and a motion for summary judgment, claiming that this court does not have subject matter jurisdiction over this action. For the reasons stated below, defendants' motion for summary judgment is granted.

## I

In upholding the district court denial of the request for a preliminary injunction, the Court of Appeals for the First Circuit held that this court does not have jurisdiction to interpret the terms of a collective bargaining agreement.

Disputes requiring the interpretation of the terms of a collective bargaining agreement are minor disputes. The Act provides that such disputes may be submitted by either party for settlement by a System Board of Adjustment and that the award of the Board is not subject to judicial review. 45 U.S.C. § 184. Because this section vests exclusive jurisdiction in the System Boards of Adjustment, the courts do not have jurisdiction to interpret the terms of a collective bargaining agreement.

*International Association of Machinists and Aerospace Workers v. Northeast Airlines, Inc.*, 473 F.2d at 554-55 (citations omitted). Although this court does not have jurisdiction to hear the Union's Article 3B claim, it is noteworthy that the Union has submitted that claim to the System Board of Adjustment and has received an adverse ruling.

## II

The Union claims that Delta, as the successor corporation to Northeast, has a duty to negotiate with the Union regarding seniority and other rights under 45 U.S.C. § 152

First. Delta claims that this court does not have jurisdiction to determine that question.<sup>1</sup>

The Supreme Court established that section 152 First is more than an exhortatory principle; that it had the force of law and that courts were the proper body to enforce its provisions. *Chicago & N.W. Ry. v. United Transportation Union*, 402 U.S. 570 (1971). The general rule, however, is not applicable where the dispute arises out of a merger of two airlines. Congress has provided a special mechanism for resolving the numerous problems attendant on such a merger. All such mergers will be approved only where the Civil Aeronautics Board (CAB) has found that the merger is not inconsistent with the public interest. CAB is authorized to condition approval of airline mergers on the acceptance by the parties of labor protective provisions designed to protect the employees of the merged airlines from any adverse impact the merger may have on conditions of employment.

One of the policies behind this grant of authority to the CAB is to prevent mergers adjudged by the Board to be in the public interest from being obstructed by labor disputes. Because of the danger of such obstruction, courts have held that the procedures of the Railway Labor Act are not available for disputes arising out of the merger which pertain to subjects covered by

---

<sup>1</sup> In its opinion affirming the denial of injunctive relief, the Court of Appeals stated "We express no opinion at this time as to whether Delta may be required to negotiate separately with NE workers about any of the changes when they occur." 473 F.2d at 560 n. 17. At that time, the CAB had not yet issued its order. The Court of Appeals had taken note of this fact. "The effects of the NE-Delta merger still depend on changes the nature of which are not at present known, because the CAB has not yet issued its order." 473 F.2d at 559. Thus, the Court of Appeals could not determine whether this dispute would be covered by the CAB order.

the Board's labor protective order, and should therefore, instead, be resolved by the procedures set forth in that order . . . .

473 F.2d at 559-60.

The opinion of the CAB approving the merger of Northeast into Delta contains, in Appendix I, numerous labor protective provisions. Section three of that Appendix provides:

Insofar as the merger affects the seniority rights of the carriers' employees, provisions shall be made for the integration of seniority lists in a fair and equitable manner, including, where applicable, agreement through collective bargaining between the carriers and the representatives of the employees affected. In the event of failure to agree, the dispute may be submitted by either party for adjustment in accordance with section 13.

Section 13 provides a mechanism for submitting such disputes to the National Mediation Board. The order accompanying the merger opinion provides, in section 2(g), that "Delta shall be subject to the labor protective conditions set forth in Appendix I." Section 4 of that order provides: "Jurisdiction is hereby reserved (1) to make such amendments, modifications, and additions to the labor protective conditions imposed by paragraphs 2(g) and 2(h) above as the circumstances may require . . . ."

The Union seek an order from this court directing Delta to negotiate with the Union regarding the seniority rights of the employees it claims to represent. The subject matter of the request relief is explicitly covered by the order and opinion of the CAB approving the merger. The power of the CAB to issue such an order is well-established. *Kent v. CAB*, 204 F.2d 263 (2d Cir. 1953), *cert. denied*, 346 U.S. 826 (1954). That the CAB has exclusive jurisdiction

over disputes covered by the merger order is equally well-established. See, e.g., *American Airlines, Inc. v. CAB*, 445 F.2d 891, 895 (2d Cir. 1971), *cert. denied*, 404 U.S. 1015 (1972); *Chaudoin v. Air Line Pilots Association*, 6 FEP 107 (D.D.C. 1973); *Master Executive Council v. O'Donnell*, 81 L.R.R.M. 2731 (D.D.C. 1972).

The Union has asserted that this jurisdictional limitation is not applicable when the relief sought is supplementary to the CAB order. This observation, while true generally, has no application to this case. The seniority rights of the employees represented by the Union is explicitly covered by the merger order. That order provides several mechanisms that will afford plaintiff the relief that it seeks. Even if the explicit provisions prove unsatisfactory, the CAB has retained jurisdiction to modify or amend those provisions. The CAB is the appropriate agency to decide these claims. Insofar as plaintiffs seek to challenge the CAB order, it must be challenged by a statutory petition for review pursuant to 49 U.S.C. § 1486 and not by a collateral lawsuit such as this.

Since this court is without jurisdiction over the subject matter of this suit, the complaint must be dismissed.

/s/ J. L. TAURO

United States District Judge



**APPENDIX F**  
**Statutory Provisions Involved**

**Statutory Provisions Involved****A. *Railway Labor Act***

Section 2, 35 U.S.C. § 152, provides in pertinent part:

First. It shall be the duty of all carriers, their officers, agents, and employees to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions, and to settle all disputes, whether arising out of the application of such agreements or otherwise, in order to avoid any interruption to commerce or to the operation of any carrier growing out of any dispute between the carrier and the employees thereof.

Second. All disputes between a carrier or carriers and its or their employees shall be considered, and, if possible, decided, with all expedition, in conference between representatives designated and authorized so to confer, respectively, by the carrier or carriers and by the employees thereof interested in the dispute.

. . . . .

Fourth. Employees shall have the right to organize and bargain collectively through representatives of their own choosing. The majority of any craft or class of employees shall have the right to determine who shall be the representative of the craft or class for the purposes of this Act. . . .

**B. *Federal Aviation Act of 1958***

Section 401(k)(4), 49 U.S.C. § 1371(k)(4) provides:

It shall be a condition upon the holding of a certificate by any air carrier that such carrier shall comply with sections 181-188 of Title 45.

Section 408, 49 U.S.C. § 1378, provides in pertinent part:

(b) Any person seeking approval of a consolidation, merger, purchase, lease, operating contract, or acquisition of control, specified in subsection (a) of this section, shall present an application to the Board, and thereupon the Board shall notify the persons involved in the consolidation, merger, purchase, lease, operating contract, or acquisition of control, and other per-

sons known to have a substantial interest in the proceeding, of the time and place of a public hearing. Unless, after such hearing, the Board finds that the consolidation, merger, purchase, lease, operating contract, or acquisition of control will not be consistent with the public interest or that the conditions of this section will not be fulfilled, it shall by order approve such consolidation, merger, purchase, lease, operating contract, or acquisition of control will not be consistent with the public interest or that the conditions of this section will not be fulfilled, it shall by order approve such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe . . . .

Section 1106, 49 U.S.C. § 1506, provides:

Nothing contained in this chapter shall in any way abridge or alter the remedies now existing at common law or by statute, but the provisions of this chapter are in addition to such remedies.

OCT 26 1976

MICHAEL R. ROGAN, JR., CLERK

In the  
**Supreme Court of the United States**

OCTOBER TERM, 1976

No. 76-428

INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS and DISTRICT 147  
OF THE INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS,  
*Petitioners,*

*v.*

NORTHEAST AIRLINES, INC.  
and DELTA AIR LINES, INC.,  
*Respondents.*

**ON A PETITION FOR A WRIT OF CERTIORARI  
TO THE UNITED STATES COURT OF APPEALS  
FOR THE FIRST CIRCUIT**

**BRIEF FOR RESPONDENT IN OPPOSITION**

HENRY E. FOLEY

LOYD M. STARRETT

PAUL V. LYONS

Foley, Hoag &amp; Eliot

10 Post Office Square

Boston, Massachusetts 02109

*Attorneys for Respondent*

FRANK F. ROX

ROBERT S. HARKEY

Delta Air Lines, Inc.

Hartsfield Atlanta International Airport

Atlanta, Georgia 30320

*Of Counsel*

## Index

	Page
Opinions Below .....	2
Jurisdiction .....	2
Questions Presented .....	2
Statutes Involved .....	3
Statement of the Case .....	3
Argument .....	8
I. The issues the Petition seeks to raise are not of such importance as to warrant the attention of this Court. ....	11
II. The law is well settled that the CAB has exclusive jurisdiction with respect to modification and implementation of the CAB's labor protective provisions for the Northeast/Delta merger and that the CAB's Orders may not be attacked collaterally. ....	12
A. The CAB has exclusive jurisdiction over all questions arising under or with respect to labor protective provisions. ....	14
B. The present case is an attempted collateral attack on a series of CAB Orders in plain disregard of the statutory method of review. ....	17
C. The decision of the court below was not in conflict with any precedent. ....	18
III. The law is well settled that the NMB has exclusive jurisdiction over questions of representation pursuant to the Railway Labor Act. ....	20
A. The claim of the Union to bargain with Delta post-merger raised a question of representation of which the NMB has exclusive jurisdiction. ....	21
B. The decision of the court below was not in conflict with any precedent. ....	22



	Page
Conclusion .....	26
Appendix	
Excerpts from the Railway Labor Act .....	27
Excerpts from the Federal Aviation Act of 1958 ...	28
Civil Aeronautics Board Order No. 72-12-114 .....	31
Decision of the United States Court of Appeals for the District of Columbia Circuit in <i>Committee         of Former Northeast Stewardesses v. Civil Aero-         nautics Board</i> .....	33

### Table of Authorities Cited

#### CASES

<i>American Airlines, Inc. v. CAB</i> , 445 F.2d 891 (2nd Cir. 1971), <i>cert. denied</i> , 404 U.S. 1015 .....	12
<i>American-Trans Caribbean Merger Case</i> , CAB Order No. 71-6-71 .....	15
<i>Andrews v. Louisville &amp; N. R.R. Co.</i> , 406 U.S. 320 ...	11, 23
<i>Augspurger v. Brotherhood of Locomotive Engineers</i> , 510 F.2d 853 (8th Cir. 1975) .....	19-20
<i>Braniff-Mid-Continent Merger Case</i> , 17 C.A.B. 19 (1953) .....	15
<i>Burlington Northern Inc. v. American Ry. Supervisors Ass'n</i> , 350 F. Supp. 897 (N.D. Ill. 1972) .....	21
<i>Carey v. O'Donnell</i> , Civil Action No. 609-73 (D.D.C. May 16, 1973), <i>affirmed</i> , 506 F.2d 107 (D.C. Cir. 1974), <i>cert. denied</i> , 419 U.S. 1110 .....	14-15
506 F.2d 107 (D.C. Cir. 1974), <i>cert. denied</i> , 419 U.S. 1110 .....	18
<i>Chaudoin v. ALPA</i> , 6 F.E.P. 107 (D.D.C. 1973), <i>affirmed</i> , 506 F.2d 107 (D.C. Cir. 1974), <i>cert. denied</i> , 419 U.S. 1110 .....	15

	Page
<i>Committee of Former Northeast Stewardesses v. CAB</i> , No. 75-1066 (D.C. Cir. May 27, 1975) .....	15, 33-34
<i>Delta-Northeast Merger Case</i> , CAB Order No. 72-5-73 .....	5, 17
CAB Order No. 72-5-74 .....	5, 17
CAB Order No. 72-7-74 .....	5, 17
CAB Order No. 72-12-114 .....	5, 17-18, 32-33
CAB Order No. 73-9-42 .....	15
CAB Order No. 75-1-6 .....	15-16
<i>Detroit &amp; T.S.L.R.R. v. United Transportation Union</i> , 396 U.S. 142 .....	23
<i>Division No. 14, Order of Railroad Telegraphers v. Leighty</i> , 298 F.2d 17 (4th Cir. 1962), <i>cert. denied</i> , 369 U.S. 885 .....	21
<i>Dixie Belle Mills, Inc.</i> , 139 N.L.R.B. 629 (1962) .....	25
<i>FEIA v. CAB</i> , 332 F.2d 312 (D.C. Cir. 1964) .....	20
<i>FEIA v. Eastern Air Lines, Inc.</i> , 311 F.2d 745 (2nd Cir. 1963), <i>cert. denied</i> , 373 U.S. 924 .....	20-21
359 F.2d 303 (2nd Cir. 1966) .....	20
<i>FEIA v. Trans World Airlines, Inc.</i> , 205 F. Supp. 137 (S.D.N.Y. 1962) .....	21
<i>General Committee of Adjustment v. Missouri - K. - T.R.R.</i> , 320 U.S. 323 .....	20
<i>General Committee of Adjustment v. Southern Pac. Co.</i> , 320 U.S. 338 .....	20
<i>Howard Johnson Company, Inc. v. Detroit Local Joint Executive Board, Hotel and Restaurant Employees and Bartenders International Union, AFL-CIO</i> , 417 U.S. 249 .....	25
<i>Hyland v. United Air Lines, Inc.</i> , 254 F. Supp. 367 (N.D. Ill. 1966) .....	15
<i>International Association of Machinists and Aerospace Workers v. Northeast Airlines, Inc.</i> ,	

	Page
337 F. Supp. 499, <i>affirmed</i> , 473 F.2d 549 (1st Cir. 1972), <i>cert. denied</i> , 409 U.S. 845	2, 4
473 F.2d 549 (1st Cir. 1972), <i>cert. denied</i> , 409 U.S. 845	2, 4-5, 12-13
400 F. Supp. 372, <i>affirmed</i> , 536 F.2d 975 (1st Cir. 1976)	2, 7
536 F.2d 975 (1st Cir. 1976)	2, 7-8, 21-22
<i>John Wiley &amp; Sons, Inc. v. Livingston</i> , 376 U.S. 543	13, 22-25
<i>Kent v. CAB</i> , 204 F.2d 263 (2nd Cir. 1953), <i>cert. denied</i> , 346 U.S. 826	12
<i>Kesinger v. Universal Airlines, Inc.</i> , 474 F.2d 1127 (1973)	14, 18
<i>Nader v. Allegheny Airlines, Inc.</i> , — U.S. —, 48 L.Ed. 643 (June 7, 1976)	18-19
<i>National Labor Relations Board v. Burns International Security Services, Inc.</i> , 406 U.S. 272	25
<i>Northeast Master Executive Council v. CAB</i> , 506 F.2d 97 (D.C. Cir. 1974), <i>cert. denied</i> , 419 U.S. 1110	17
<i>Northeast Pilots Master Executive Council v. O'Donnell</i> , 81 L.R.R.M. 2731 (D.D.C. 1972)	14
<i>Oling v. Air Line Pilots Association</i> , 346 F.2d 270 (7th Cir. 1965), <i>cert. denied</i> , 382 U.S. 926	14, 18
<i>Pennsylvania R. Co. v. Day</i> , 360 U.S. 548	11
<i>Railway and Steamship Clerks v. United Air Lines, Inc.</i> , 325 F.2d 576 (6th Cir. 1973), <i>cert. dismissed as improvidently granted</i> , 379 U.S. 26	22
<i>Ruby v. American Airlines, Inc.</i> , 323 F.2d 248 (2nd Cir. 1963)	20, 24
<i>Slocum v. Delaware, L. &amp; W.R.R.</i> , 339 U.S. 239	11
<i>Switchmen's Union of North America v. NMB</i> , 320 U.S. 297	3, 9, 20
<i>Wells v. Delta Air Lines, Inc.</i> , 398 F. Supp. 384 (E.D. Pa. 1975)	15, 17

## STATUTES AND REGULATIONS

Code of Federal Regulations	
20 C.F.R. § 1206.2(b)	21
Federal Aviation Act of 1958	
§ 408 (49 U.S.C. § 1378)	3, 12-13, 28-29
§ 1006 (49 U.S.C. § 1486)	3, 5, 17, 18, 29-30
National Labor Relations Act	
§ 8(a)(5) (29 U.S.C. § 158(a)(5))	22
§ 8(b)(3) (29 U.S.C. § 158(b)(3))	22
§ 8(d) (29 U.S.C. § 158(d))	22
§ 9(b) (29 U.S.C. § 159(b))	25
§ 301 (29 U.S.C. § 185)	22
Railway Labor Act	
§ Fourth (45 U.S.C. § 152 Fourth)	3, 21, 25, 27
§ 3 First (q) (45 U.S.C. § 153 First (q))	6, 24
§ 6 (45 U.S.C. § 156)	4
§ 204 (45 U.S.C. § 184)	3, 6, 24, 28

**In the  
Supreme Court of the United States**

OCTOBER TERM, 1976

---

No. 76-428

---

INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS and DISTRICT 147  
OF THE INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS,  
*Petitioners,*

*v.*

NORTHEAST AIRLINES, INC.  
and DELTA AIR LINES, INC.,  
*Respondents.*

---

**ON A PETITION FOR A WRIT OF CERTIORARI  
TO THE UNITED STATES COURT OF APPEALS  
FOR THE FIRST CIRCUIT**

---

**BRIEF FOR RESPONDENT IN OPPOSITION**

---

The respondent Delta Air Lines, Inc. ("Delta")<sup>1</sup> respectfully submits that the issues which would be presented

---

<sup>1</sup> Despite the express allegation in their amended complaint that Northeast Airlines, Inc. ("Northeast") no longer exists (A-II at 34), the petitioners persistently attempt to refer to Northeast as if it were a party separate and distinct from Delta. In fact and in law, however, on August 1, 1972 Northeast ceased to have a separate corporate existence, and there is but one respondent now before this Court. Therefore, both in the title and text of this Brief, Delta has disregarded the petitioners' fiction that there are two respondents and has consistently used the singular.



in this case are not worthy of consideration by this Court on writ of certiorari and therefore the Petition should be denied.

### Opinions Below

The opinion of the United States District Court for the District of Massachusetts denying injunctive relief is reported at 337 F. Supp. 499. The opinion of the Court of Appeals for the First Circuit on interlocutory appeal is reported at 473 F.2d 549. This Court's denial of the petition for writ of certiorari to review that decision is reported at 409 U.S. 845.

The final decision of the District Court (Appendix E to the Petition) is reported at 400 F. Supp. 372, but its order denying reconsideration (Appendix C to the Petition) is unreported. The opinion of the First Circuit affirming the District Court (Appendix B to the Petition) is reported at 536 F.2d 975.

### Jurisdiction

The basis on which jurisdiction is claimed is set forth adequately in the Petition.

### Questions Presented

1. Did the courts below err in holding, in accordance with unanimous precedent, including decisions by the Courts of Appeals for the Second, Sixth, Seventh and District of Columbia Circuits, that questions of modification of the labor protective provisions imposed by the Civil Aeronautics Board in connection with an airline merger and/or implementation of those labor protective provisions

are within the exclusive jurisdiction of the Civil Aeronautics Board?

2. Did the Court of Appeals for the First Circuit err in holding, following the *Switchmen's Union* trilogy and numerous other decisions of this Court and other federal courts, that questions of representation of employees of air carriers for purposes of collective bargaining pursuant to the Railway Labor Act are within the exclusive jurisdiction of the National Mediation Board?

### Statutes Involved

Sections 2 Fourth and 204 of the Railway Labor Act (45 U.S.C. §§ 152 Fourth, 184) and Sections 408 and 1006 of the Federal Aviation Act of 1958, as amended (49 U.S.C. §§ 1378, 1486) are reproduced in relevant part in the appendix to this Brief (pp. 27-30 *infra*.)

### Statement of the Case

The International Association of Machinists and Aerospace Workers and its District 147 (collectively the "Union"), the plaintiffs-appellants below and petitioners in this Court, claim that Delta Air Lines, Inc. ("Delta") should be ordered by the federal courts to recognize and bargain with the Union on behalf of a minority group of Delta employees with respect to "proper provisions for the protection of employees' seniority and other rights." (A-II<sup>2</sup> at 40.) The only basis of the Union's claim is that, prior to the 1972 merger of Northeast Airlines, Inc.

<sup>2</sup> The record appendices are cited herein by the abbreviations "A-I" to designate the Appendix in First Circuit No. 72-1038, which was incorporated by Order of the Court of Appeals dated November 25, 1975, and "A-II" to cite the further Appendix prepared for First Circuit No. 75-1435.

("Northeast") into Delta, the Union represented certain crafts or classes of Northeast's employees.<sup>3</sup> The United States District Court for the District of Massachusetts entered summary judgment dismissing the Union's amended complaint on July 25, 1975 and denied reconsideration on October 8, 1975, and the Court of Appeals for the First Circuit affirmed that dismissal on June 25, 1976.

When the Union brought the present action on January 24, 1972 in the District of Massachusetts, it sought an injunction against the merger of Northeast into Delta and orders requiring Northeast to bargain with the Union concerning the conditions of post-merger employment by Delta of former Northeast employees and further requiring the results of such bargaining to be incorporated in "any final merger agreement with Delta" (A-I at 8-9). The District Court denied injunctive relief. (A-I at 79-92.) On appeal, the First Circuit held, among other things, that the courts are without jurisdiction to consider the Union's allegations that Northeast had violated the collective bargaining agreements between Northeast and the Union<sup>4</sup> and that Northeast had no duty to bargain with the Union in advance of the merger concerning post-merger conditions of employment by Delta. (A-II at 4-23.) This Court denied the

<sup>3</sup> One group (Northeast's mechanics and related employees) was covered by a collective bargaining agreement which expired by its terms on December 31, 1971 but, in effect, continued in force until August 1, 1972 as the "status quo" pursuant to Section 6 of the Railway Labor Act, 45 U.S.C. § 156, by reason of the pendency of negotiations and/or mediation. A second group (Northeast's technical services department foremen and field service technicians) was covered by a separate contract which expired June 1, 1972; the "status quo" provisions of Section 6 were applicable to this group also until August 1, 1972.

<sup>4</sup> The District Court had considered and interpreted those collective bargaining agreements and decided that Northeast was not in violation thereof. The Court of Appeals held that the interpretation of those agreements and enforcement of rights pursuant thereto are matters within the exclusive jurisdiction of the System Board of Adjustment.

Union's first petition for a writ of certiorari on October 10, 1972.

Meanwhile, the Civil Aeronautics Board (the "CAB"), by a decision dated April 24, 1972 and subsequently approved by the President of the United States on May 19, 1972, authorized the merger of Northeast into Delta subject to various conditions. (A-II at 47-78.) The Union had participated actively as a party before the CAB. (See, e.g., A-II at 55, 59, 72.) In its Orders Nos. 72-5-73 and 72-5-74 whereby the merger was authorized, the CAB discussed various labor problems and considerations (A-II at 55-60), prescribed extensive "labor protective provisions" concerning seniority and other interests of employees which might be affected by a merger (A-II at 60-71) and retained jurisdiction over labor protective aspects of the merger (A-II at 76).<sup>5</sup> The Union on July 11, 1972 petitioned the CAB for modification of those labor protective provisions, and the CAB denied that petition. CAB Orders Nos. 72-7-74, 72-12-114.<sup>6</sup> The Union did not petition for judicial review of any of those four CAB orders pursuant to Section 1006 of the Federal Aviation Act of 1958, 49 U.S.C. § 1486.

Subsequent to the first decision of the Court of Appeals in the present litigation, with respect to which the Union filed and this Court denied a petition for a writ of certiorari, the Union submitted to the duly constituted System Board of Adjustment its claims that Northeast had violated the collective bargaining agreements between Northeast and the Union, and that Board, after hearing, decided adversely to the Union. The submission of those claims to the System

<sup>5</sup> The CAB's labor protective provisions also contained a special procedure for resolution of disputes thereunder. If a dispute concerning the effects of the merger on employees remains unsettled for 20 days after the controversy arises, it may be referred by any party to an arbitrator for an expedited determination. (A-II at 70-71.)

<sup>6</sup> CAB Order No. 72-12-114 is for the convenience of the Court reproduced in the appendix to this Brief (pp. 31-32 *infra*).



Board of Adjustment was initiated by a grievance dated April 24, 1972 in which the Union alleged that Northeast had violated the collective bargaining agreements and requested "all necessary relief including an injunction and damages". (A-II at 79.) That grievance was then referred to the System Board, which held a hearing. After meeting three times, the four-man System Board declared itself deadlocked and voted "to submit the dispute to a neutral for a decision". (A-II at 81.) The neutral ruled against the Union's grievance. (A-II at 84.) The Union has never presented any other grievance—nor has the Union initiated any other System Board of Adjustment proceeding—concerning the subject matter of the present litigation. (A-II at 45.) Nor did the Union seek judicial review of the decision of the System Board of Adjustment pursuant to the Railway Labor Act. See 45 U.S.C. §§ 153 First (q), 184.

The merger of Northeast into Delta, pursuant to the approval of the CAB and the President, was consummated on August 1, 1972 (A-II at 34), but this case lay dormant until October of 1973, more than 14 months later (A-II at 2). On October 4, 1973, the Union amended its complaint by modifying certain allegations so as to refer to both Northeast and Delta and by adding prayers for "damages of five hundred thousand dollars (\$500,000.00)" and for preliminary and permanent injunctive relief against Delta. (A-II at 26-41.) The Union now asks for, in effect, a mandatory injunction against Delta "restraining" Delta from

"refusing to recognize and bargain with the plaintiffs [Union] on behalf of all their members and former members formerly employed by the company [Northeast] who are now or were at any time after the merger employed by Delta Airlines [sic], Inc., over proper provisions for the protection of employees' seniority and other rights." (A-II at 40.)

On July 25, 1975 the District Court granted Delta's motion for summary judgment:

"The Union seeks an order from this Court directing Delta to negotiate with the Union regarding the seniority rights of the employees it claims to represent. The subject matter of the request[ed] relief is explicitly covered by the order and opinion of the CAB approving the merger. . . . That the CAB has exclusive jurisdiction over disputes covered by the merger order is equally well-established." (A-II at 99.) (Citations omitted.)

On August 4, 1975, the Union filed a Motion To Alter, Amend and Vacate a Judgment (A-II at 102-04) which was subsequently denied.

On appeal, the First Circuit likewise held that the matters complained of by the Union are not within the jurisdiction of the courts:

"[J]urisdiction in the first instance to rule on compliance with its own Labor Protective Provisions and to determine the validity of the seniority lists belongs with the CAB, notwithstanding any diffidence it may have shown toward undertaking this task. [Citations omitted.] Therefore, to the extent that plaintiffs [the Union] attack the seniority lists, and argue that the procedures Delta followed in integrating them were inconsistent with the commands of the Labor Protective Provisions, the district court correctly ruled that it did not have jurisdiction.

...  
[T]he duty to bargain imposed by the Railway Labor Act is a duty to bargain with the chosen representative of the majority of a craft or class of employees.

[Citations omitted.] At the very least, the merger created real doubts about whether plaintiffs [the Union] represent the majority of any Delta craft or class of employees, and where there is such doubt, federal courts leave resolution of the dispute to the National Mediation Board. [Citations omitted.]” 536 F.2d at 977.

The present Petition asks this Court to review these two rulings.

### Argument

The Union asks this Court to believe that the decision of the Court of Appeals for the First Circuit destroyed statutory and contractual rights and disrupted labor relations in the air transportation industry, but the fact is just the opposite. The decision of the court below reaffirmed well-established principles which have been utilized successfully in airline mergers for at least twenty-five years. What the Union suggests, in contrast, would be a radical new departure and would be totally unworkable as a rule of labor relations in the context of a merger. Indeed, the Union’s arguments confuse the relevant principles and, if accepted, would cause havoc in any future airline merger.

It is well settled, as the Court of Appeals held in this case, that there are two guiding and overriding principles of law which govern. *First*, as to employee relations matters arising directly out of an airline merger, the CAB’s detailed labor protective provisions, which expressly cover seniority integration, dismissal allowances, displacement allowances, moving expenses and the like, are controlling. The Courts of Appeals for the First, Second, Sixth, Seventh and District of Columbia Circuits have uniformly held that all matters having to do with implementation or modification of these labor protective provisions

are within the exclusive jurisdiction of the CAB (see pp. 12-15 *infra*), and only last year this Court declined to review three recent decisions of the Court of Appeals for the District of Columbia Circuit precisely on this point (see pp. 14-15, 17 *infra*). *Second*, for purposes of any post-merger collective bargaining, the provisions of the Railway Labor Act apply, and therefore a union may represent or bargain for any group of employees only if that union has met the representation requirements of the Railway Labor Act. The decisions of this Court in the *Switchmen’s Union* trilogy, which have been consistently followed in merger situations, including airline merger cases in the Second and Sixth Circuits, establish beyond question that the determination as to who can bargain for employees pursuant to the Railway Labor Act is entrusted to the exclusive jurisdiction of the National Mediation Board (“NMB”). (See pp. 20-22 *infra*.)

With respect to seniority integration, the arguments in the Petition confuse the principles of the Railway Labor Act with those applicable to the CAB’s labor protective provisions. In complaining that the seniority lists of the Northeast and Delta mechanics were not properly consolidated, the Union does not charge that the integrated list is in any respect unfair or inequitable. Nor has the Union pursued the arbitration remedy provided by the CAB’s labor protective provisions (see p. 5 n.5 *supra*) or sought judicial review of the CAB’s orders. Rather, the Union objects to the integrated seniority list solely on a ground the CAB has repeatedly held invalid: that the Union, which was formerly certified as the representative of the Northeast employees for purposes of the Railway Labor Act, did not negotiate the merger of the lists. The CAB has ruled that, because of the conflicting interests of employees following a merger, a former Railway Labor Act representative will not be recognized as the employees’ repre-



sentative for seniority integration purposes in the absence of a new and specific designation, and in the present case the Union does not contend that it was so designated. Moreover, the Union did file a petition to the CAB for amendment or modification of and additions to the labor protective provisions (see pp. 17, 31-32 *infra*), but when the CAB denied relief the Union again failed to seek review in a court of appeals. The Union's attempt to challenge the CAB's labor protective provisions and particularly the CAB's seniority integration rules in this case is an impermissible collateral attack on the CAB's orders in derogation of the exclusive procedure for judicial review established by the Federal Aviation Act of 1958. (See pp. 17-18 *infra*.)

The Union also advances an alternative theory—suggested for the first time in the Court of Appeals<sup>7</sup>—which flies in the face of the many decisions of this Court and other federal courts declaring the areas of exclusive jurisdiction of the NMB and the System Board of Adjustment pursuant to the Railway Labor Act. (See pp. 20-24 *infra*.) The Union's contention, in short, is that, because of provisions in the Union's contracts with Northeast which called for bargaining in case of a merger, Delta is required to negotiate post-merger to determine which, if any, contract provisions survived the merger. The Union's argument ignores the fact that under the Railway Labor Act it has no right to bargain with Delta until and unless it has been certified by the NMB as the representative of a craft or class of Delta's employees. The Union admits that it has not been—and indeed could not become—so certified. Moreover, the Union ignores the fact that all its contractual

<sup>7</sup> Contrary to the Union's statement (Petition at 7), the First Circuit did not hold that the District Court had erred in any of its rulings of law. Rather, the Union presented its claims quite differently on appeal, and as a result the First Circuit noted that the District Court had underestimated the breadth and scope of the Union's bargaining demands.

claims, including any claim for "damages", were subject to the exclusive jurisdiction of the System Board of Adjustment, which is the exclusive forum for enforcement of contractual rights. *Slocum v. Delaware, L. & W.R.R.*, 339 U.S. 239; *Pennsylvania R. Co. v. Day*, 360 U.S. 548; *Andrews v. Louisville & N.R.R. Co.*, 406 U.S. 320. The System Board decided adversely to the Union the only relevant claim the Union has ever presented to that Board.

I. THE ISSUES THE PETITION SEEKS TO RAISE ARE NOT OF SUCH IMPORTANCE AS TO WARRANT THE ATTENTION OF THIS COURT.

The airline industry consists of a relatively small number of carriers and is marked by a high degree of administrative regulation. Accordingly, a merger of air carriers is an extraordinary transaction which requires prior approval of the CAB and, if any foreign routes are involved, the President. Because of the infrequency of such mergers and the provisions for administrative and executive approval, any merger of airlines is specially tailored in great detail. The merger of Northeast into Delta was no exception, and many detailed conditions and provisions were imposed by the CAB after the CAB had held lengthy hearings and considered briefs, arguments, exceptions and other material.

Moreover, the issues the Union seeks to raise in its Petition would have limited—if any—applicability beyond the particular facts of the Northeast/Delta merger. It is apparent from the Union's pleadings and its arguments to this Court that the Union's claims in the present case have their roots in the language of particular provisions of the pre-merger contracts between Northeast and the Union and the particular labor relations circumstances of Northeast and of Delta at the time of the merger in 1972.

Finally, the merger of Northeast into Delta was consummated more than four years ago. The former Northeast employees formerly represented by the Union (less than five per cent of Delta's employees) had been absorbed into Delta long before the Union presented to the District Court the amendment to its complaint—the earliest pleading which even purports to state a claim against Delta. If Delta were to undertake, as the Union demands, now to renegotiate and retroactively to alter the established relationships between the former Northeast employees and their fellow Delta employees with whom they have been working side by side for more than four years, the result would be disruption of labor relations which are presently stable. The Union's demands would tend to prevent harmonious relations among all Delta employees of each craft or class—the goal the Railway Labor Act seeks to attain—by creating conflict between those Delta employees formerly represented by the Union and other Delta employees.

II. THE LAW IS WELL SETTLED THAT THE CAB HAS EXCLUSIVE JURISDICTION WITH RESPECT TO MODIFICATION AND IMPLEMENTATION OF THE CAB'S LABOR PROTECTIVE PROVISIONS FOR THE NORTHEAST/DELTA MERGER AND THAT THE CAB'S ORDERS MAY NOT BE ATTACKED COLLATERALLY.

The approval of mergers between air carriers and the fashioning of post-merger labor protective provisions are matters entrusted by Congress to the exclusive jurisdiction of the CAB under the provisions of Section 408 of the Federal Aviation Act of 1958 (49 U.S.C. § 1378). *American Airlines, Inc. v. CAB*, 445 F.2d 891, 895 (2nd Cir. 1971), *cert. denied*, 404 U.S. 1015; *Kent v. CAB*, 204 F.2d 263 (2nd Cir. 1953), *cert. denied*, 346 U.S. 826; *International Association of Machinists and Aerospace Workers v. Northeast*

*Airlines, Inc.*, 473 F.2d 549 (1st Cir. 1972), *cert. denied*, 409 U.S. 845. Inasmuch as Northeast and Delta were air carriers, their merger required prior CAB approval pursuant to Section 408.

The CAB's Orders which approved the merger of Northeast into Delta contain extensive labor protective provisions, developed by the CAB in its expertise over a period of more than two decades, which are twelve printed pages in length. In those provisions the CAB (1) established the rules under which Delta, as the surviving carrier, must absorb former Northeast employees, including specific rules for integration of seniority lists (A-II at 61), displacement allowances (A-II at 61-62), continuation of benefits (A-II at 66), moving expenses (A-II at 66-67), protection against loss on sale or termination of lease of residence (A-II at 67-69) and notices of proposed changes (A-II at 69-70), (2) provides monetary allowances for former Northeast employees who are not absorbed by Delta (A-II at 63-66; A-II at 70), (3) prescribes an expedited procedure for binding arbitration as the exclusive forum for disputes arising out of implementation of those rules (A-II at 70-71)<sup>8</sup> and (4) retains exclusive jurisdiction to decide whether and how those rules should be changed or supplemented (A-II at 60, 76). Those labor protective provisions are an integral part of the CAB's approval of the Northeast/Delta merger.

<sup>8</sup>It is demonstrated at pp. 25-26 *infra*, that the decision in *John Wiley & Sons, Inc. v. Livingston*, 376 U.S. 543, is not applicable to employers subject to the Railway Labor Act and is particularly inapplicable in the context of the Northeast/Delta merger. However, even if the *Wiley* decision could be applied by analogy, *Wiley* does not purport to grant any bargaining right and the arbitration right granted to employees as part of the CAB's labor protective provisions fully satisfies the public policy recognized by this Court in *Wiley*. See also p. 24 *infra*.



- A. *The CAB has exclusive jurisdiction over all questions arising under or with respect to labor protective provisions.*

The courts have consistently held that the CAB has exclusive authority in connection with airline mergers to determine what labor protective provisions are appropriate to protect employees in a manner consistent with the public interest and to judge the implementation of those provisions. Thus, in *Kesinger v. Universal Airlines, Inc.*, 474 F.2d 1127, 1131-32 (1973), the Sixth Circuit held

“that Congress intended that the CAB should have exclusive jurisdiction, in approving airline mergers, to prescribe conditions, including labor protective provisions, and to adjudicate questions arising with respect to compliance or non-compliance with such conditions.”

*Accord, Oling v. Air Line Pilots Association*, 346 F.2d 270 (7th Cir. 1965), *cert. denied*, 382 U.S. 926; *Hyland v. United Air Lines, Inc.*, 254 F. Supp. 367 (N.D. Ill. 1966).

The exclusive jurisdiction of the CAB has been reaffirmed in a series of decisions in connection with the Northeast/Delta merger. In three cases, former Northeast pilots attempted in the United States District Court for the District of Columbia to attack, on a variety of grounds, the post-merger integrated seniority list of Delta pilots. In *Northeast Pilots Master Executive Council v. O'Donnell*, 81 L.R.R.M. 2731, 2732 (D.C.C. 1972), the court granted “the motion for summary judgment in favor of the defendants on the grounds that exclusive jurisdiction is in the Civil Aeronautics Board.” Both in *Carey v. O'Donnell*, Civil Action No. 609-73 (D.D.C. May 16, 1973), *affirmed*, 506 F.2d 107 (D.C. Cir. 1974), *cert. denied*, 419

U.S. 1110, and in *Chaudoin v. ALPA*, 6 F.E.P. 107 (D.D.C. 1973), *affirmed*, 506 F.2d 107 (D.C. Cir. 1974), *cert. denied*, 419 U.S. 1110, the court held that the CAB has exclusive jurisdiction and therefore dismissed. In *Committee of Former Northeast Stewardesses v. CAB*, No. 75-1066 (May 27, 1975),<sup>9</sup> the Court of Appeals for the District of Columbia Circuit held that the request of a group of former Northeast flight attendants that Delta be ordered to submit to arbitration an alleged dispute regarding the integration of the flight attendant seniority lists of Delta and Northeast is within the CAB's exclusive jurisdiction. In *Wells v. Delta Air Lines, Inc.*, 398 F. Supp. 384, 390 (E.D. Pa. 1975), the complaint of a former Northeast employee was dismissed for lack of jurisdiction because “the CAB has exclusive jurisdiction over changes of employment relating to airline mergers.”

It has also been well settled for more than twenty years that the pre-merger collective bargaining representative certified for purposes of the Railway Labor Act is not by virtue of that former certification the “representative of the employees affected” within the meaning of the CAB's labor protective provisions (see A-II at 61). *Braniff-Mid-Continent Merger Case*, 17 C.A.B. 19 (1953); *American-Trans Caribbean Merger Case*, CAB Order No. 71-6-71. The pre-merger union can establish a right to represent employees for purposes of the CAB's labor protective provisions only by presenting to the surviving carrier independent post-merger “evidence of authority” to represent them. *E.g., Delta-Northeast Merger Case*, CAB Order No. 75-1-6. As the CAB has noted,

“significant changes in employer-employee relations resulting from a merger can result in different inter-

<sup>9</sup> The unreported decision of the Court of Appeals for the District of Columbia Circuit is for the convenience of the Court reproduced in the appendix to this Brief (pp. 33-34 *infra*).

ests between a union and its former members so that the employees would not necessarily want the union to represent them for labor protective purposes." *Delta-Northeast Merger Case*, CAB Order No. 73-9-42 at 5.

Accordingly, inasmuch as the Union has alleged neither that it has such evidence nor that it has presented such evidence to Delta, there is no merit in the Union's contention that it has bargaining rights pursuant to the CAB's labor protective provisions by reason of its former representation of certain Northeast employees for purposes of the Railway Labor Act.

In short, the subject matter of the Union's amended complaint in the present case—"seniority and other rights" (A-II at 40) of former Northeast employees—was plainly within the well-recognized exclusive jurisdiction of the CAB and also was expressly covered by the labor protective provisions for the Northeast/Delta merger which were adopted by the CAB (see pp. 12-13 *supra*). For example, integration of the Northeast and Delta seniority lists is expressly covered by Section 3 of the labor protective provisions (A-II at 61) but nevertheless occupies more than a third of the Union's argument in its Petition to this Court. Accordingly, there can be no doubt that the matters complained of by the Union in the present case were, as the Court of Appeals for the District of Columbia Circuit has repeatedly held in similar cases in connection with the same Northeast/Delta merger, within the exclusive jurisdiction of the CAB.

B. *The present case is an attempted collateral attack on a series of CAB Orders in plain disregard of the statutory method of review.*

The only proper remedy for a party aggrieved by a CAB order is to appeal directly to a court of appeals within sixty days after the CAB order pursuant to the special statutory procedure for judicial review established in Section 1006 of the Federal Aviation Act of 1958, 49 U.S.C. § 1486 (reprinted on pp. 29-30 *infra*). See *Northeast Master Executive Council v. CAB*, 506 F.2d 97 (D.C. Cir. 1974), cert. denied, 419 U.S. 1110; *Wells v. Delta Air Lines, Inc.*, *supra* at 386-87.

Prior to the CAB's decision approving the Northeast/Delta merger, the Union had a full and fair opportunity to present its position to the CAB in great detail and did present evidence and file exceptions and briefs. (A-II at 55, 59, 72.) When the CAB on May 19, 1972 issued its approval of the merger of Northeast into Delta upon terms and conditions, including labor protective provisions, with which the Union apparently was not wholly satisfied, the Union could then have sought review of CAB Orders Nos. 72-5-73 and 72-5-74 in a court of appeals as provided in Section 1006, but the Union took no such appeal. Instead, on July 11, 1972 the Union by petition asked the CAB to amend, modify and add to its labor protective provisions so as to require Delta to recognize the seniority of former Northeast employees and also requested that the merger be stayed pending such modification. The CAB denied the Union's request for a stay on July 21, 1972 in CAB Order No. 72-7-74, and on December 26, 1972, in its Order No. 72-12-114 (reprinted on pp. 31-32 *infra*), the CAB denied the Union's petition for modification of the labor protective provisions. The Union did not seek judicial review by a court of appeals of either CAB Order No. 72-7-74 or CAB



Order No. 72-12-114. Nor has the Union ever challenged either before the CAB or in a petition to a court of appeals for statutory judicial review the CAB's long-standing and consistent interpretation of the phrase "representative of the employees affected" as used in the labor protective provisions (see pp. 15-16 *supra*).

It is obvious that the present litigation is at best a tardy and collateral attack on the CAB's several orders as well as an attempt to avoid the CAB's exclusive jurisdiction. The courts have consistently refused to permit such collateral attacks upon CAB orders. "Section 1006 of the Federal Aviation Act . . . prescribes a direct and exclusive method of review, . . . [and it is a] well settled principle that collateral attacks upon administrative orders are not permissible." *Oling v. Air Line Pilots Association, supra*, 346 F.2d at 276-77; accord, *Kesinger v. Universal Airlines, Inc., supra*; *Carey v. O'Donnell*, 506 F.2d 107 (D.C. Cir. 1974), *cert. denied*, 419 U.S. 1110.

C. *The decision of the court below was not in conflict with any precedent.*

The Union's assertion that the decision of the court below is in conflict with this Court's recent decision in *Nader v. Allegheny Airlines, Inc.*, U.S. , 48 L.Ed. 2d 643, completely misconstrues the *Nader* decision. In *Nader*, this Court addressed only "the question whether a common-law tort action based on alleged fraudulent misrepresentation by an air carrier . . . must be stayed pending reference to the Board [CAB] for determination whether the practice is 'deceptive' within the meaning of § 411 of the Federal Aviation Act of 1958". 48 L.Ed. 2d at 648. But in the present case the question is not how to reconcile a common-law cause of action with the federal regulatory scheme but rather whether to continue harmonizing the

provisions of two federal statutes (the Federal Aviation Act of 1958 and the Railway Labor Act) and the roles of two federal agencies (the CAB and the NMB) which govern the activities of air carriers on the same well-established basis which has been used to harmonize them consistently and successfully for decades. Moreover, it was an essential premise of this Court's decision in *Nader* that "considerations of uniformity in regulation and of technical expertise" (48 L.Ed. 2d at 655) did not require deference to the CAB because the standards applicable to the common-law tort of fraudulent misrepresentation are clear and involve no judgments of reasonableness. In contrast, the present case involves the CAB's discretionary approval of an airline merger and the special tailoring of the conditions and provisions for that airline merger — matters which plainly must be left exclusively in the hands of the expert regulatory agency, the CAB. Finally, whereas in *Nader* this Court concluded that as a matter of law the CAB could not authorize the conduct alleged (48 L.Ed. 2d at 652-54), the present case involves the plenary power of the CAB to authorize airline mergers and prescribe the terms and conditions thereof, which power is well-established. (See cases cited pp. 12-13 *supra*.)

Contrary to the Union's claim, *Augsburger v. Brotherhood of Locomotive Engineers*, 510 F.2d 853 (8th Cir. 1975), is not in conflict with the decision of the court below in the present case. In *Augsburger*, the Court of Appeals for the Eighth Circuit not only recognized but specifically reaffirmed the mainstream of cases deferring to the CAB's jurisdiction over all questions with respect to implementation or modification of labor protective provisions in connection with carrier mergers. 510 F.2d at 857, 860. Dicta<sup>10</sup>

<sup>10</sup> The Court of Appeals for the Eighth Circuit held that *Augsburger* was not a fair representation case and that in that case the complaint had been properly dismissed.

in *Augspurger* stated that an exception to that rule must be carved out when the issue is one of fair representation by a union, but, inasmuch as there is no hint of a fair representation question in the present case, those dicta are not relevant. Indeed, the Eighth Circuit in *Augspurger* stressed the great importance of the principle that the federal courts not invade agency jurisdiction and said that therefore the exception for fair representation cases should be defined very narrowly. The holding of *Augspurger* not only is not contrary to but rather is fully in accordance with and supports the decision of the First Circuit in the present case.



### III. THE LAW IS WELL SETTLED THAT THE CAB HAS EXCLUSIVE JURISDICTION OVER QUESTIONS OF REPRESENTATION PURSUANT TO THE RAILWAY LABOR ACT.

There can be no doubt that the question whether a union is entitled to represent and bargain for employees of a carrier pursuant to the Railway Labor Act may be decided only by the NMB and not by the courts. *Switchmen's Union of North America v. NMB*, 320 U.S. 297, 305. Representation disputes are within the exclusive jurisdiction of the NMB — and not justiciable in the federal courts — whether they are disputes between unions, *General Committee of Adjustment v. Missouri - K. - T. R.R.*, 320 U.S. 323, 327-28, 336, or arise in the context of individual grievances, *General Committee of Adjustment v. Southern Pac. Co.*, 320 U.S. 338, 342-44. It has been held repeatedly and without exception that all representation questions in the airline industry are within the NMB's exclusive jurisdiction. *FEIA v. Eastern Air Lines, Inc.*, 359 F.2d 303 (2d Cir. 1966); *FEIA v. CAB*, 332 F.2d 312 (D.C. Cir. 1964); *Ruby v. American Airlines, Inc.*, 323 F.2d 248 (2d Cir. 1963); *FEIA v. Eastern Air Lines, Inc.*, 311 F.2d 745 (2d Cir. 1963),

*cert. denied*, 373 U.S. 924; *FEIA v. Trans World Airlines, Inc.*, 205 F. Supp. 137 (S.D. N.Y. 1962).

#### A. The claim of the Union to bargain with Delta post-merger raised a question of representation of which the NMB has exclusive jurisdiction.

The decision of the Court of Appeals for the First Circuit that the Northeast/Delta "merger created real doubts about whether [the Union] represent[s] the majority of any Delta craft or class of employees" (536 F.2d at 977) was plainly correct. The Union alleged in its amended complaint that Delta "with its 20,786 employees will be under no obligation to recognize or deal with the IAM [Union] which only represents approximately 1,000 employees." (A-II at 36.) Indeed, it is evident that the Union represented no more than a rather small minority of any craft or class of Delta employees.<sup>11</sup>

The rule that the NMB has exclusive jurisdiction is no less applicable in representation disputes which arise out of or in connection with mergers of carriers. See, e.g., *Division No. 14, Order of Railroad Telegraphers v. Leighty*, 298 F.2d 17 (4th Cir. 1962), *cert. denied*, 369 U.S. 885; *Burlington Northern Inc. v. American Ry. Supervisors Ass'n*, 350 F. Supp. 897 (N.D. Ill. 1972). Nor can the

<sup>11</sup> The Union has stated to this Court (Petition at 11 n.6) that former Northeast employees who had been represented by the Union before the merger constituted only "25 to 30%" of the Delta employees in the respective crafts or classes. In contrast, the NMB has determined by regulation a threshold requirement of "proved authorizations" from 35 per cent of the employees in the craft or class as a prerequisite for the NMB to schedule an election when the employees involved are not represented by any union. 20 C.F.R. § 1206.2(b). It is clear that a union cannot represent only a fraction of the employees of a single carrier who fall into one craft. 45 U.S.C. § 152 Fourth; see, e.g., *Burlington Northern Inc. v. American Ry. Supervisors Ass'n*, 350 F. Supp. 897, 901-03 (N.D. Ill. 1972) and authorities cited therein.



Union confer upon the courts jurisdiction to determine the Union's representational rights vis-a-vis Delta as the surviving carrier merely by characterizing this action as one based upon its former collective bargaining agreement. *Railway and Steamship Clerks v. United Air Lines, Inc.*, 325 F.2d 576 (6th Cir. 1963), *cert. dismissed as improvidently granted*, 379 U.S. 26.

In the circumstances there can be no doubt that the Union's demand that Delta "recognize and bargain with" the Union raises a representation question which, in accordance with well-established principles, is within the exclusive jurisdiction of the NMB. Accordingly the court below correctly held that question not justiciable in the present case.

B. *The decision of the court below was not in conflict with any precedent.*

The Union's reliance upon *John Wiley & Sons, Inc. v. Livingston*, 376 U.S. 543 as granting the Union a right to bargain with Delta is entirely misplaced. The keystone of all the Union's arguments based on *Wiley* is its disingenuous assertion that to distinguish between "the duties to bargain and to arbitrate . . . is meaningless." (Petition at 12.) In fact, that there is an important distinction between arbitration and negotiation is apparent from the National Labor Relations Act ("NLRA") itself<sup>12</sup> and from this Court's opinion in *Wiley*. As the court below held, "*Wiley* required the employer to submit to arbitration, but did not require negotiation with the union, which is quite a different duty." 536 F.2d at 978.

<sup>12</sup> The provisions for negotiation are found in Sections 8(a)(5), 8(b)(3) and 8(d), 29 U.S.C. §§ 158(a)(5), (b)(3), (d), whereas arbitration is enforceable pursuant to Section 301, 29 U.S.C. § 185.

This Court's opinion in *Wiley* carefully noted that no obligation for the successor to negotiate with a former representative of a pre-merger bargaining unit was being imposed. "This Union does not assert that it has any bargaining rights independent of the [predecessor employer's collective bargaining] agreement; it seeks to arbitrate claims based on that agreement, now expired, not to negotiate a new agreement." 376 U.S. at 551. (Footnote omitted.) "Of course, the Union may not use arbitration to acquire new rights against" the successor; nor could the Union "have used arbitration to negotiate a new contract with" the predecessor. 376 U.S. at 555. It is clear that this Court in *Wiley* recognized a fundamental distinction between the duty to arbitrate and the duty to bargain.

The difference between negotiation and arbitration, which the court below quite correctly recognized, is at the heart of the Railway Labor Act. This Court's decision in *Wiley* was concerned only with arbitration as a means of enforcement of rights which had "vested" or "accrued" pre-merger (376 U.S. at 545, 551-52 n.5) and which, in the language of the Railway Labor Act, would be called "minor disputes" — disputes "arising out of the interpretation or application of collective agreements", *Detroit & T. S.L.R.R. v. United Transportation Union*, 396 U.S. 142, 145 n.8. In the context of the Railway Labor Act, it is well settled that the only permissible litigation to determine minor disputes is arbitration before the System Board of Adjustment. "[T]he notion that the grievance and arbitration procedures provided for minor disputes in the Railway Labor Act are optional, to be availed of as the employee or the carrier chooses, was never good history and is no longer good law." *Andrews v. Louisville & N.R. Co.*, 406 U.S. 320, 322; see cases cited page 11 *supra*.

In the present case the Union does not allege that any grievance proceedings are outstanding or that Delta has refused to submit any particular dispute to the System Board of Adjustment. Indeed, the record shows that, when the Union did submit its claims to the System Board in 1972, the neutral arbitrator decided against the Union.<sup>13</sup> The Union cannot now take a second bite at that apple.

Moreover, the *Wiley* decision is not applicable to the present case because *Wiley* was a decision under the NLRA, whereas Northeast was and Delta is an air carrier subject to the Railway Labor Act and not to the NLRA. Particularly in view of the specific machinery for the System Board of Adjustment in Section 204 of the Railway Labor Act, 45 U.S.C. § 184 (p. 28 *infra*), the *Wiley* decision cannot be translated from the NLRA into the quite different statutory framework of the Railway Labor Act. It is well recognized that there are basic differences "in the language and scheme of the two statutes." *Ruby v. American Airlines, Inc.*, *supra*, 323 F.2d at 256.

Furthermore, *Wiley* is inapplicable to the present case because all relevant grievances filed before the expiration of the collective bargaining agreements between Northeast and the Union have been finally decided through arbitration before the System Board of Adjustment and none is pending. In *Wiley* this Court stressed the fact that the contract between the union and the predecessor was, according to its terms, still in force when grievances were filed. 376 U.S. at 546. In contrast, in the present case both collective bargaining agreements between Northeast and

<sup>13</sup> The Union has made no attempt to vacate that award pursuant to the Railway Labor Act. See 45 U.S.C. §§ 153 First (q), 184. Nor has the Union ever presented any other grievance for adjudication by the System Board of Adjustment. (A-II at 45.) The System Board's ruling that the grievance filed in 1972 was tardy further suggests that no more grievances could be effectively filed now, some four and one-half years later.

the Union by their terms had expired a number of months before the merger. (See p. 4 n.3 *supra*.)

Finally, the NLRA successorship doctrine, which is the foundation on which the *Wiley* decision is built, is premised upon the continuity of at least a majority of employees in an appropriate bargaining unit. See *Howard Johnson Company, Inc. v. Detroit Local Joint Executive Board, Hotel and Restaurant Employees and Bartenders International Union, AFL-CIO*, 417 U.S. 249, 263; *National Labor Relations Board v. Burns International Security Services, Inc.*, 406 U.S. 272, 295. As this Court stated in *Wiley*, there must be such a "substantial continuity of identity in the business enterprise" as to "make a duty to arbitrate something . . . reasonably to be found in the particular bargaining agreement and the acts of the parties involved." 376 U.S. at 551. In view of the absence of a "substantial continuity of identity in the business enterprise", the Railway Labor Act's requirement that nothing less than an entire craft or class shall constitute an appropriate bargaining unit,<sup>14</sup> and the Union's admission that the employees it seeks to represent are but a minority of any craft or class (see p. 21 *supra*), Delta could not be found to be a "successor" even if the NLRA successorship doctrine could be applied to air carriers governed by the Railway Labor Act. A vital ingredient would be missing because ex-Northeast mechanics clearly do not comprise a majority (or even close to a majority) of the only appropriate bargaining unit — all mechanics employed by Delta.

<sup>14</sup> Section 2 Fourth, 45 U.S.C. § 152 Fourth. In contrast, under the NLRA a single-plant unit is presumptively appropriate. *Dixie Belle Mills, Inc.*, 139 N.L.R.B. 629, 631 (1962); see 29 U.S.C. § 159(b).

### Conclusion

For the reasons stated, the Court should deny the Petition for a Writ of Certiorari to review the judgment and opinion of the Court of Appeals for the First Circuit.

Respectfully submitted,

HENRY E. FOLEY

LOYD M. STARRETT

PAUL V. LYONS

Foley, Hoag & Eliot

10 Post Office Square

Boston, Massachusetts 02109

*Attorneys for Respondent*

FRANK F. ROX

ROBERT S. HARKEY

Delta Air Lines, Inc.

Hartsfield Atlanta International Airport

Atlanta, Georgia 30320

*Of Counsel*

### Appendix

RAILWAY LABOR ACT,

SECTION 2 FOURTH, 45 U.S.C. § 152 FOURTH:

Employees shall have the right to organize and bargain collectively through representatives of their own choosing. The majority of any craft or class of employees shall have the right to determine who shall be the representative of the craft or class for the purposes of this chapter. No carrier, its officers, or agents shall deny or in any way question the right of its employees to join, organize, or assist in organizing the labor organization of their choice, and it shall be unlawful for any carrier to interfere in any way with the organization of its employees, or to use the funds of the carrier in maintaining or assisting or contributing to any labor organization, labor representative, or other agency of collective bargaining, or in performing any work therefor, or to influence or coerce employees in an effort to induce them to join or remain or not to join or remain members of any labor organization, or to deduct from the wages of employees any dues, fees, assessments, or other contributions payable to labor organizations, or to collect or to assist in the collection of any such dues, fees, assessments, or other contributions: *Provided*, That nothing in this chapter shall be construed to prohibit a carrier from permitting an employee, individually, or local representatives of employees from conferring with management during working hours without loss of time, or to prohibit a carrier from furnishing free transportation to its employees while engaged in the business of a labor organization.



## RAILWAY LABOR ACT,

## SECTION 204, AS ADDED, 45 U.S.C. § 184:

The disputes between an employee or group of employees and a carrier or carriers by air growing out of grievances, or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions, including cases pending and unadjusted on April 10, 1936 before the National Labor Relations Board, shall be handled in the usual manner up to and including the chief operating officer of the carrier designated to handle such disputes; but, failing to reach an adjustment in this manner, the disputes may be referred by petition of the parties or by either party to an appropriate adjustment board, as hereinafter provided, with a full statement of the facts and supporting data bearing upon the disputes.

It shall be the duty of every carrier and of its employees, acting through their representatives, selected in accordance with the provisions of sections 181 to 188 of this title, to establish a board of adjustment of jurisdiction not exceeding the jurisdiction which may be lawfully exercised by system, group, or regional boards of adjustment, under the authority of section 153 of this title.

Such boards of adjustment may be established by agreement between employees and carriers either on any individual carrier, or system, or group of carriers by air and any class or classes of its or their employees . . . .

## FEDERAL AVIATION ACT OF 1958,

## SECTION 408, AS AMENDED, 49 U.S.C. § 1378:

(a) It shall be unlawful unless approved by order of the Board as provided in this section—

(1) For two or more air carriers, or for any air carrier and any other common carrier or any person

engaged in any other phase of aeronautics, to consolidate or merge their properties, or any part thereof, into one person for the ownership, management, or operation of the properties theretofore in separate ownerships . . . .

(b) Any person seeking approval of a consolidation, merger, purchase, lease, operating contract, or acquisition of control, specified in subsection (a) of this section, shall present an application to the Board, and thereupon the Board shall notify the persons involved in the consolidation, merger, purchase, lease, operating contract, or acquisition of control, and other persons known to have a substantial interest in the proceeding, of the time and place of a public hearing. Unless, after such hearing, the Board finds that the consolidation, merger, purchase, lease, operating contract, or acquisition of control will not be consistent with the public interest or that the conditions of this section will not be fulfilled, it shall by order approve such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe . . . .

## FEDERAL AVIATION ACT OF 1958,

## SECTION 1006, 49 U.S.C. § 1486:

(a) Any order, affirmative or negative, issued by the Board or Administrator under this chapter, except any order in respect of any foreign air carrier subject to the approval of the President as provided in section 1461 of this title, shall be subject to review by the courts of appeals of the United States or the United States Court of Appeals for the District of Columbia upon petition, filed within sixty days after the entry of such order, by any person disclosing a substantial interest in such order. After the



expiration of said sixty days a petition may be filed only by leave of court upon a showing of reasonable grounds for failure to file the petition theretofore.

(b) A petition under this section shall be filed in the court for the circuit wherein the petitioner resides or has his principal place of business or in the United States Court of Appeals for the District of Columbia.

(c) A copy of the petition shall, upon filing, be forthwith transmitted to the Board or Administrator by the clerk of the court, and the Board or Administrator shall thereupon file in the court the record, if any, upon which the order complained of was entered, as provided in section 2112 of Title 28.

(d) Upon transmittal of the petition to the Board or Administrator, the court shall have exclusive jurisdiction to affirm, modify, or set aside the order complained of, in whole or in part, and if need be, to order further proceedings by the Board or Administrator. Upon good cause shown and after reasonable notice to the Board or Administrator, interlocutory relief may be granted by stay of the order or by such mandatory or other relief as may be appropriate.

(e) The findings of facts by the Board or Administrator, if supported by substantial evidence, shall be conclusive. No objection to an order of the Board or Administrator shall be considered by the court unless such objection shall have been urged before the Board or Administrator or, if it was not so urged, unless there were reasonable grounds for failure to do so.

(f) The judgment and decree of the court affirming, modifying, or setting aside any such order of the Board or Administrator shall be subject only to review by the Supreme Court of the United States upon certification or certiorari as provided in section 1254 of Title 28.

Order 72-12-114

UNITED STATES OF AMERICA  
CIVIL AERONAUTICS BOARD  
Washington, D. C.

Adopted by the Civil Aeronautics Board  
at its office in Washington, D.C.,  
on the 26th day of December, 1972

Docket 23315

DELTA-NORTHEAST MERGER CASE

ORDER

In Order 72-5-73, the Board approved the merger of Delta Air Lines and Northeast Airlines<sup>1</sup> subject however to certain labor protective conditions. Thereafter, but prior to the consummation of the merger, the International Association of Machinists and Aerospace Workers (the IAMAW) petitioned the Board to modify those labor protective conditions to the extent of requiring Delta to recognize the seniority rights of Northeast's employees in connection with the application of the labor protective conditions. The IAMAW also requested that the Board stay the effectuation of the merger pending disposition of the petition. The gravamen of the petition is that Delta had demonstrated an "attitude" and "intent" indicating that Delta would not give adequate consideration to employee seniority once the merger was effectuated, that under the circumstances of the merger, Northeast employees could thereby lose their seniority rights, and that "lacking recognition of seniority rights, Northeast employees can be harassed by Delta into resigning."

<sup>1</sup> Order 72-5-74 approved the merger insofar as it related to the transfer to Delta of Northeast's international routes.

In the Board's Supplemental Opinion and Order in this proceeding, Order 72-7-74, the Board denied the IAMAW request for a stay and otherwise deferred action on the petition. We there noted that:

"At this juncture . . . any harassing by Delta remains largely, if not entirely, hypothetical, and indeed may never come to pass. Further, to the extent that harassment takes the form of violations of the Board's labor protective conditions, the conditions themselves provide a remedy—arbitration pursuant to a specified, expedited, process."<sup>2</sup>

We have received no further filings by the IAMAW that would indicate that the potential problems that concerned the IAMAW have in fact come to pass, nor have we any other reason to believe that there have arisen any merger-related problems within the purview of the labor protective conditions that cannot be resolved by negotiation between the groups involved, or by arbitration as provided in section 13 of the labor protective conditions. Further, as we noted in our Supplemental Opinion and Order, the Board is always in a position, through exercise of its retained jurisdiction, to make such amendments, modifications, and additions to the labor protective conditions as the circumstances may require.

In view of the foregoing, we have determined to dismiss the IAMAW petition.

ACCORDINGLY, IT IS ORDERED: That the petition of the International Association of Machinists and Aerospace Workers for amendment, modification, and additions to the labor protective conditions set forth in Order 72-5-73 be and it hereby is dismissed.

By the Civil Aeronautics Board:

HARRY J. ZINK  
Secretary

(SEAL)

<sup>2</sup> Order 72-7-74 at 17.

UNITED STATES COURT OF APPEALS  
FOR THE  
DISTRICT OF COLUMBIA CIRCUIT

No. 75-1066

September Term, 1974

COMMITTEE OF FORMER NORTHEAST STEWARDESSES,  
PETITIONER

v.

CIVIL AERONAUTICS BOARD,  
RESPONDENT.

DELTA AIR LINES, INC.,  
INTERVENOR.

Before: MCGOWAN AND TAMM, *Circuit Judges*

ORDER

On consideration of the petitioner's motion for summary reversal and of the responses thereto, and of the respondent's motion for summary affirmance and of the responses thereto, and it appearing to the Court that the issue presented by the petition for review herein has been decided by the Court in *Carey v. J. J. O'Donnell*, — U.S. App. D.C. —, 506 F.2d 107 (1974), *cert. denied*, 42 L. Ed. 806 (1975), it is

ORDERED by the Court that order No. 75-1-6 of the Civil Aeronautics Board is hereby reversed, and the case remanded to the Board for a decision on the merits of petitioner's claims; and it is

FURTHER ORDERED that the respondent's motion for summary affirmance is denied. *See also Northeast Master Executive Council v. Civil Aeronautics Board*, — U.S. App.

D.C. —, 506 F.2d 97 (1974), *cert. denied*, 95 S. Ct. 783 (1975); *Kesinger v. Universal Airlines, Inc.*, 474 F.2d 1127 (6th Cir. 1973); *Oling v. Air Line Pilots Association*, 346 F.2d 270 (7th Cir.), *cert. denied*, 382 U.S. 926 (1965).

*Per Curiam*